

HOUSE OF ASSEMBLY
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06 May 2014

Consumer and Business Services 2012 - 2013

Consumer and
Business Services

Report of the
Commissioner for Consumer Affairs
Commissioner for Corporate Affairs
Commissioner for Prices
Liquor and Gambling Commissioner



Government of South Australia
Attorney-General's Department

31 October 2013
Consumer and Business Services
Chesser House, 91-97 Grenfell St
Adelaide SA 5000

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www.cbs.sa.gov.au

31 October 2013

Hon. Minister for Business Services and Consumers

I am pleased to submit my Annual Report for the period ending 30 June 2013.

The report includes the reporting requirements of section 12 of the *Fair Trading Act 1987*, and the reporting obligations contained in other legislation administered by my office.



Paul White

Liquor and Gambling Commissioner
Commissioner for Consumer Affairs
Commissioner for Prices
Commissioner for Corporate Affairs

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Highlights

During 2012-13 there was a shift in focus for Consumer and Business Services (CBS), from the merger of the former Office of the Liquor and Gambling Commissioner (OLGC) and Office of Consumer and Business Affairs (OCBA), to Continuous Improvement and Cultural Change, with business improvement becoming a way of life. Whilst several new business units have been realigned and created over the past 12 months, including Investigations and Inspections and Advice and Conciliation, there are still some outstanding areas to be finalised, including Licensing and Registration. CBS now offers greater dispute resolution services for consumers and businesses alike, as well as a more proactive approach to investigating complaints against traders and non-compliance. Many of the structural changes necessitated the relocation of staff and customer services to one central location in Chesser House and a major accommodation project was completed in March of this year.

Continuous improvement priorities for the team this year include the development and implementation of an ICT strategy and governance to ensure a focused approach to ICT expenditure and resource utilisation across the agency, and the delivery and improvement of a new CBS website, combining the information and services previously offered by OCBA and OLGC. A major review of the investigations function was also undertaken and a major implementation program is now underway.

One of the most significant outcomes for CBS is the development and deployment of the CBS Purpose and Direction, which sets out the guiding principles, key focus areas and objectives for CBS as a whole. This guides the business planning, professional development and cultural change programs being carried out across the agency.

Core service delivery

As part of the CBS commitment to continuous improvement and high quality customer service, all customer-facing functions of CBS (except for the Marriage Room and the Attorney-General's Department Justice of the Peace Volunteer Service) have now been brought into one single customer service point. Since the Customer Service Centre opened on 17 December 2012 staff have served more than 50 000 customers at the front counter. Ninety percent of customers have been served within 15 minutes, with 85% of customers served in less than 10 minutes.

In 2012-13 both the number of consumer advice enquiries and complaints lodged with CBS decreased from the previous year. Almost 42 000 enquiries were received from consumers seeking advice about rights on various consumer issues, and almost 3400 complaints received during 2012-13. There were 52 119 enquiries from people regarding their rights and responsibilities in relation to tenancy matters and 43 995 about rental bond matters.

The occupational licensing register held records of 75 457 licences and registrations, with 8498 applications processed during the year for new or upgraded licences. As at 30 June 2013, there were 6126 liquor licences. Registers were also maintained for 19 770 incorporated associations and 56 co-operatives.

In June 2013, approximately 550 active live gaming machine licences were held, spread across clubs, hotels and special circumstances licences. Two gaming machine trading rounds were conducted during the year.

There was a small decrease in the number of births, while deaths, marriages and changes of name continued to increase. Overall 112 923 certificates were issued. The number of marriages at the

Registry remained at just under 1100, and 24 500 marriage records previously held on microfilm were computerised, reducing the time for record searches.

Monitoring and compliance

CBS continued to monitor the marketplace for compliance, and took action where breaches were detected. Court action was taken against five individuals and companies for breaches of fair trading and related legislation. Other enforcement activities resulted in 1070 written warnings and 138 expiation notices being issued, and 15 written assurances were received.

Inspectors monitored the Adelaide Casino on a daily basis, and Officers inspected over 2500 licensed premises, to ensure systems, processes and operating practices were compliant with liquor and gambling legislation, licence conditions and codes of practice. A taskforce operation focusing on compliance with the *Responsible Gambling Code of Practice* targeted 90 gaming venues across metropolitan Adelaide over two days.

CBS product safety officers inspected thousands of items for compliance with safety legislation through market place surveillance and in response to consumer complaints. Goods recalled from the market this year include cots, baby dummies, hot water bottles and baby toys. Two interim bans were imposed during the period for small high powered magnets and synthetic drugs. The magnet ban was subsequently made permanent by the Commonwealth Minister and has effect nationally. More information on products that were recalled or banned is at appendix 3.

Legislative reform

A number of reforms progressed throughout the year including:

- Amendments to the *Gaming Machines Act 1992* that came into effect from 9 December 2012;
- The *Statutes Amendment (Real Estate Reform Review and other Matters) Act* and *Residential Tenancies (Miscellaneous) Amendment Act 2013* were passed by Parliament in May 2013;
- Amendments to the *Security and Investigation Agents Act 1995* were also passed by Parliament and will commence on 27 September 2013;
- Preparations continued for the National Occupational Licensing System (NOLS), which is anticipated to commence in 2014 for selected occupations;
- On 28 May 2013, the Minister for Business Services and Consumers announced proposed new laws to crackdown on complicated and confusing charging clauses hidden in home improvement contracts;
- Legislation to introduce a suite of new gambling reforms was introduced into Parliament on 1 May 2013;
- The new *General Code of Practice under the Liquor Licensing Act 1997* came into operation on 18 January 2013;
- The *Late Night Trading Code of Practice under the Liquor Licensing Act 1997* was gazetted on 6 June 2013 and will come into operation on 1 October 2013;
- The *Liquor Licensing (Miscellaneous) Amendment Bill 2013* was introduced into Parliament on 5 June 2013;
- A new small venue liquor licence was introduced, with a maximum capacity of 120 people;
- Work on harmonising reporting processes for small, medium and large organizations within the framework of the new Australian Charities and Not-for-Profits Commission Act;
- The *Charities Code of Practice* came into operation on 1 March 2013.
- In collaboration with the Department of Planning Transport and Infrastructure, the creation of an editable PDF version of vendors statements for the sale of land, with as many of the fields as possible pre-populated.

- On 28 April 2013, the Minister for Business Services and Consumers announced that a new industry code, under the *Fair Trading Act 1987*, would be introduced to regulate how petrol station operators display petrol prices in an effort to eliminate confusion around discounted petrol advertising in South Australia.
- CBS has consulted South Australian egg growers, retailers and consumers regarding development of a voluntary industry code, under the *Fair Trading Act 1987*, that will provide standards for production of free range eggs.

More detailed information about these projects can be found in the body of this report.

Red tape reduction

In 2012-13 CBS continued reviewing its business processes and online capabilities, providing significant reductions in red tape for business in South Australia. This included the implementation of stage one of the Tenancies Online Project in November 2012, which enables customers to search the status of their bond online.

A series of “round table” discussions were held with industry groups and consultation was undertaken with CBS staff to identify a range of potential improvements to legislation. These aim to reduce the regulatory burden on business by around \$18M pa and improve protection for consumers. A statutes amendment bill to make these changes will be introduced to Parliament in the second half of 2013.

Educating consumers and business

There was a strong focus on educating vulnerable consumers to empower them with information and the confidence to assert their rights. New Consumer and Business Services materials in 2012-13 included consumer factsheets about buying household goods, ‘group buying’ websites, olive oil labelling and country of origin labelling for food products. New business resources include a guide for solar panel installers and a brochure about the new small venue liquor licence.

After the introduction of the small venue liquor licence, CBS participated in an information session for those who are thinking of applying for one of these licences. The session provided an opportunity for aspiring licensees to hear about what is involved and to ask questions directly of licensing and planning authorities.

Forty two information seminars on residential tenancy rights and obligations were presented to tenants, landlords and property managers by CBS staff. In addition, 26 information sessions were presented to specific target audiences such as students, migrants, refugees and seniors. While some sessions are delivered onsite at CBS, many are presented to groups through TAFE SA, tenant support organisations and community groups.

Statutory Functions

Statutory functions of the Commissioner for Consumer Affairs include:

- Give advice on consumers' and traders' rights and obligations under the *Fair Trading Act 1987* and other consumer laws.
- Conduct research and education programs, publish reports and inform consumers about consumer issues.
- Conciliate disputes between consumers and traders.
- Monitor business activities and investigate practices that may adversely affect consumers' interests.
- Encourage the development, promotion and enforcement of fair trading codes of practice to safeguard consumers' interests.
- Produce fair trading guidelines for traders.
- Enforce consumer laws.
- License and register nominated traders.

Statutory functions of the Liquor and Gambling Commissioner include:

- License those involved in the sale and supply of liquor.
- Develop, promote and enforce liquor licensing codes of practice.
- Approve gaming machine licences.
- Conciliate and hear disputes over gaming machine licences.
- Conduct gaming machine trading rounds.
- License bookmakers and agents and issue permits to enable them to accept bets at racecourses and other venues.

Scrutinise the betting operations of the SATAB, racing clubs, bookmakers and their agents.

- Ensure that the Adelaide Casino complies with the *Casino Act 1997* and other legislation.
- License collectors involved in collections for charitable purposes.
- License those involved in the conduct of lotteries.

The Commissioner for Corporate Affairs is responsible for the registration of incorporated associations and co-operatives, and ensuring their compliance with legislative requirements.

Legislation administered by CBS is outlined in appendix 2.

CBS Strategic Framework

The AGD Strategic Plan 2012-14 outlines the vision, mission, and approach of the Attorney-General's Department (AGD).

The plan is supported by four strategic goals, which relate to four of the targets identified in South Australia's Strategic Plan.

1. To keep people safe in their homes, community and work
Ensuring public safety

2. To champion fair and transparent access to justice
Promoting diversity and social inclusion
Enabling the public to make informed decisions
Protecting and supporting vulnerable people, including victims and witnesses

3. To protect people's rights and promote public confidence in our institutions and services
Providing fair and equitable customer service
Making effective civil and criminal law

4. To be a high performing organisation
Investing in our people
Reducing red tape

As a business unit within AGD, CBS supports the priority areas identified in the strategic plan. CBS has a clear focus on protection of people through its product safety and enforcement functions, with education of the public, in particular the more vulnerable consumer, being of paramount importance. Advice, conciliation and judicial processes further assist South Australians in their access to justice.

CBS Activity in 2012-13

Strategic Goal 1: To keep people safe in their homes, community and work**Ensuring public safety****Protection from dangerous products**

CBS plays a vital role in improving and promoting product safety through ongoing compliance and education activities. Action is taken to remove goods from sale which are banned or do not comply with mandatory safety standards, and traders face penalties under the *Australian Consumer Law* (ACL) for supplying unsafe goods.

CBS product safety officers inspected thousands of items for compliance with safety legislation through market place surveillance and in response to consumer complaints. Goods recalled from the market this year include cots, baby dummies, hot water bottles and baby toys.

The Royal Adelaide Show continued to be a feature of the inspections calendar, with 1351 items in showbags examined prior to the Show and 138 stalls and 471 items inspected over the course of Show Week.

CBS again worked with regulators in all jurisdictions to conduct national product safety marketplace surveys, which included the pre-Christmas toy audit. CBS Officers inspected 432 toys for the audit and tested 21 items, one of which failed the mandatory safety standard for toys for children under three years when it released small parts.

Two interim bans were imposed during the period for small high powered magnets and synthetic drugs. The magnet ban was subsequently made permanent by the Commonwealth Minister and has effect nationally. More information on products that were recalled or banned is at appendix 3.

CBS partnered with fair trading agencies across Australia to produce a national product safety guide to help businesses identify potentially dangerous or banned products before they are offered for sale. The guide is particularly useful for discount variety stores, 'two dollar shops', weekend market traders and retailers of baby goods and toys. The guide provides retailers with critical information about mandatory standards, and banned items including toys, baby products, clothing, confectionery, furniture, swimming pools and bicycles. The guide has been produced in English, Vietnamese and Chinese, and includes photographs of many of the currently banned products.

Achieving voluntary compliance

CBS is responsible for ensuring compliance with legislation administered by the Commissioner for Consumer Affairs, Liquor & Gambling Commissioner, and Commissioner for Corporate Affairs. This is achieved through the combined use of education, conciliation and enforcement.

Random and targeted field visits are made to venues where licensed persons operate, to determine compliance with obligations and licensees knowledge of their obligations. Where deficiencies are identified, licensees are informed of their obligations and if necessary warnings or expiations are issued to reinforce the compliance strategy. In more serious cases enforceable assurances or undertakings are sought to ensure sustained compliance with obligations.

In circumstances where education and conciliation have not been effective, or where significant breaches are detected, litigation in the form of either disciplinary proceedings or criminal charges is employed to protect the public interests.

Monitoring programs targeted a range of traders to ensure compliance with fair trading laws. To coincide with Valentine's Day, in February 2013 CBS visited 58 independent and syndicated jewellery stores across the State to check compliance with the *Australian Consumer Law*. Sixteen written warnings were issued for incorrect refund information being given to consumers, either on signs or receipts. The incorrect signs were removed and traders were supplied with compliant signs to display to ensure that consumers are accurately informed about their rights.

In March 2013 there was a project to engage with the fitness industry to determine the prevalence of compliance with the *Fair Trading (Health and Fitness) Industry Code*. CBS staff attended 63 randomly selected fitness centres and identified 90 breaches of the code in respect to contract issues. Based on the nature of the breach and its potential impact on consumers, written warnings or expiation notices were used to remedy deficiencies. Consequently a series of meetings have occurred with the peak industry body 'Fitness Australia' where a relationship has been established to provide education support for their members and a single point of contact for resolving issues.

In general, written warnings are issued to traders where the offending is minor in nature and no consumer detriment is evident. During the year, 1070 written warnings were issued. Six public warnings were also issued to alert consumers to particular conduct by traders. Where the breaches are quite serious or the risk to consumers is significant, traders may be publicly named. Public warnings were issued in relation to the provision of faulty products, failing to complete contracts, a plumber who continued to trade while suspended and a bogus lawyer.

During the year, 138 expiation notices were issued. These included: 90 expiation notices to landlords and property agents who failed to lodge rental bonds within the prescribed time; eight expiation notices to second-hand motor vehicle dealers and auction houses; five under provisions of the *Australian Consumer Law*; 33 under the *Health and Fitness Industry Code* and two under the *Fair Trading Act*.

The Liquor and Gambling Commissioner is responsible to the Independent Gambling Authority (IGA) for ensuring that the Adelaide Casino complies with the *Casino Act 1997* and all subordinate legislation. Inspectors monitor the Casino on a daily basis to ensure the Casino's systems, processes and operating practices are compliant with this legislation and respective licence conditions, agreements and codes of practice. Compliance and enforcement activities at the Adelaide Casino focus on elements of casino operations that have the greatest potential for risk, including the harm associated with the consumption of alcohol and gambling activities.

Officers also inspected over 2500 licensed premises to ensure compliance with liquor and gambling legislation, codes of practice and licence conditions.

CBS is also responsible to the IGA for the scrutiny of the betting operations of the SATAB, racing clubs, bookmakers and their agents. In assisting the Liquor and Gambling Commissioner with his legislative obligations, authorised officers regularly undertake compliance inspections and audits of wagering and CBS has developed ongoing relationships with key stakeholders including Thoroughbred Racing SA, Harness Racing SA, Greyhound Racing SA and the SA Bookmakers League. CBS also works closely with other SA Government bodies including the Department of Treasury and Finance.

For more information regarding this project see the 2012-13 annual report of the Independent Gambling Authority at www.iga.sa.gov.au.

Barring orders

Under the *Liquor Licensing Act 1997* a person may be barred from licensed premises, prohibiting the person from entering or remaining on the premises. Reasons for issuing orders include concerns for the welfare of the person or a person they are with, and/or offensive or disorderly behaviour. Orders may be issued by a licensee, a police officer or the Commissioner of Police. Licensees are required to provide CBS with copies of these barrings and CBS is required to record barrings for periods greater than six months. Information on barring orders issued by licensees in 2012-13 can be found in the Report on Barring Orders 2012-2013, on the CBS website at www.cbs.sa.gov.au.

Proactive complaints response

CBS has implemented a risk based and intelligence led function to ensure a proactive approach to compliance. This strategy utilises the collection and collation of data from third parties such as advertisers, other agencies and internet sites to undertake data mining to locate suspicious activity. The introduction of this function has enabled CBS to analyse substantial amounts of data and significantly increase the likelihood of identification of non-compliance. CBS has also developed intelligence communication channels with industry stakeholders.

As a result, CBS has noted a significant reduction in the occurrence of some types of non-compliance, possibly due to a growing awareness that illegal traders can not rely on the anonymity of the internet and that major print media is monitored. Furthermore, major advertising providers are removing adverts from illegal traders and refusing to accept future advertisements, which has led to a substantial disruption to illegal traders' business models and subsequent profitability.

In addition, CBS has implemented new internal communication strategies to enable the sharing of current intelligence between different CBS sections. This has enabled a rapid response capability, the outcome of which is early intervention and the minimisation of potential harm to consumers. These interventions are performed by different sections of CBS acting collaboratively as teams to undertake field work and desk audits. Further, new strategies, such as conducting financial viability assessments at the first opportunity, have been implemented to minimise the likelihood of unexpected financial failures of business with the resultant detriment to consumers.

Investigations review

CBS engaged the services of SA Police to undertake a review of its compliance and investigation capability, the aim of which was to evaluate efficacy of the investigation functions of CBS.

This review considered

- investigation strategy including the prioritisation and allocation of files;
- investigation planning and methodology;
- process and procedure; and
- staff training and development, and information technology support.

A steering committee will oversee the implementation of recommendations arising from the review.

Strategic Goal 2: To champion fair and transparent access to justice

Promoting diversity and social inclusion

CBS recognises the cultural diversity of consumers, businesses and industry representatives. To cater for the different needs of its clients, CBS offers specific programs and regularly undertakes new initiatives to empower and educate these groups.

Service delivery for culturally and linguistically diverse clients

CBS services can be accessed in a variety of formats, catering for consumers from non-English speaking backgrounds, Indigenous consumers and people with a disability.

- A range of publications are on the CBS website (many of which are also available in hardcopy), including six translated factsheets.
- Translating and interpreting services are offered to clients from non-English speaking backgrounds.
- Topical consumer issues are discussed during regular segments on community radio stations with particular listening audiences (including multicultural, Aboriginal and print handicapped consumers).
- The CBS YouTube channel features videos covering topics such as pram safety, buying a second-hand vehicle, resolving a rental dispute (a multilingual version) and a song presented in both English and Pitjantjatjara. The channel also includes audio files of radio interviews on a range of consumer topics.
- Information sessions are presented to migrant groups, international students, carers, Aboriginal consumers and others from disadvantaged or low literacy backgrounds. Additionally, advice is provided to individuals at expos and other targeted events.
- CBS is committed to making registry weddings accessible to all clients from non-English speaking backgrounds by engaging with interpreters to enable ceremonies to be conducted in a range of languages.

New additions to CBS services and the suite of materials available include:

- Four new nationally-developed factsheets for Aboriginal consumers in relation to high pressure sales and smart shopping tips.
- A product safety guide for small business owners, translated in Chinese and Vietnamese.

Enabling the public to make informed decisions

Information sessions and events

Forty two information seminars on residential tenancy rights and obligations were presented to tenants, landlords and property managers by CBS staff. In addition, 26 information sessions were presented to specific target audiences such as students, migrants, refugees and seniors. While some sessions are delivered onsite at CBS, many are presented to groups through TAFE SA, tenant support organisations and community groups.

Information stalls at events were effective in engaging with vulnerable consumer groups, including expos for disability carers and new migrants — often with the help of translators.

Regular interviews on topical consumer issues were presented on four community radio stations: 5EBI (ethnic), 5RPH (radio for the print handicapped); Coast FM (southern suburbs); and Radio Adelaide's Paper Tracker program (Aboriginal consumers). A selection of 5EBI interviews is also available on the CBS YouTube Channel.

Communication via the media

This year, CBS worked with radio and television stations to promote key messages and to ensure that the public was informed about new developments, legislative changes, the outcomes of CBS product safety inspection and testing programs, and warnings about dangerous products. CBS ran a Dob-in-a-tradie phone-in and increased coverage of public namings. In addition, CBS conducted consumer awareness advertising campaigns with respect to consumer issues relating to solar installations, licensed tradies, refunds and warranties.

Education campaigns

CBS joined with other consumer protection regulators across Australia to develop educational programs including:

- A campaign to tackle unfair trading and high-pressure sales tactics in regional and remote Indigenous communities, through radio advertisements and a reference kit for community organisations.
- A translated product safety guide to help businesses, particularly discount variety stores, to weed out potentially dangerous or banned products before they are offered for sale. The guide is printed in English, Vietnamese and Chinese.
- A checklist to help small businesses to identify which of their activities are regulated under the *Australian Consumer Law*, and to help them comply.
- A scams awareness campaign, focusing on online shopping.

New CBS materials in 2012-13 included consumer factsheets about buying household goods, 'group buying' websites, olive oil labelling and country of origin labelling for food products. New business resources include a guide for solar panel installers and a brochure about the new small venue liquor licence.

After the introduction of the small venue liquor license, CBS participated in an information session for those who are thinking of applying for one of these licences. The session provided an opportunity for aspiring licensees to hear about what is involved and to ask questions directly of licensing and planning authorities.

Web-based information and services

The CBS website received approximately two million page views from an estimated one million consumers and businesses who visited the website for a range of reasons. Their visits included accessing information, lodging online applications and conducting transactions. The website provides a diverse range of services that support the everyday activities of South Australian citizens.

The new CBS website was launched at the end of June 2013. It brought together the former agency websites of the Office of Consumer and Business Affairs and the Office of Liquor and Gambling. The new site features online services, fact sheets, reports, publications and forms. It is user-friendly, with a fully responsive design, which works well on desktop, tablet and all mobile platforms.

The site displays new branding and a consistent look and feel across every page. It also provides information on the latest news from CBS and AGD, and is easy to navigate via a series of quick links on the home page. The CBS website is an ever changing entity and is continuing to grow. Customers, both internal and external, are finding content more easily accessible.

A new service called 'Request for online advice' was added to the site. This allows customers to lodge a general enquiry regarding their consumer rights. Since its launch in December 2012, the service has received approximately 1700 enquiries.

Protecting and supporting vulnerable people, including victims and witnesses

Consumer advice and dispute resolution

The Advice & Conciliation (A&C) Branch of CBS was created this year by merging the previous branches of Consumer Affairs and Residential Tenancies. A&C staff provide advice, education and alternative dispute resolution services to consumers and traders relating to consumer protection and residential tenancy agreements. Advice is provided to: tenants, landlords and agents of residential properties; and proprietors, operators and residents of rooming houses and residential parks.

In 2012-13 both the number of consumer advice enquiries and complaints lodged with CBS decreased from the previous year. Almost 42 000 enquiries were received from consumers seeking advice about rights on various consumer issues, with almost 3400 complaints received during 2012-13. There were 52 119 enquiries from people regarding their rights and responsibilities in relation to tenancy matters and 43 995 about rental bond matters.

Appendices 4, 5 and 6 provide an analysis of enquiries and complaints received.

CBS tenancies staff conducted 42 information sessions to educate landlords, property managers, tenants and other stakeholders on rights and obligations relating to residential tenancy agreements. A number of these sessions were presented to organisations that cater for or assist vulnerable people, including international students at Flinders University and the University of South Australia, and through Community Partnerships and Growth. Tenancies staff also present a module for the Real Estate Institute of South Australia as part of their Certificate in Property Management course.

Advice and conciliation — new processes for conciliation and escalation

In April 2013, CBS implemented an ownership model where officers case manage fair trading dispute matters from the initial advice through to the conciliation. The turnaround time for officers to resolve or escalate matters is now 30 business days from receipt of a Request for Assistance. When traders are recalcitrant, cases are escalated to a specialised team who utilise the Commissioner's powers under the *Fair Trading Act 1987* including:

- calling compulsory conciliation conferences;
- imposing fines when traders do not attend; and
- making public warning statements.

Since implementing the escalation model 51 compulsory conciliation conferences have been called, with 84% resolved successfully. Five traders did not attend, resulting in the issuing of three expiation notices and three matters were closed unresolved, with consumers considering pursuing court action.

Using the compulsory conferences CBS has been able to assist consumers with a range of successful outcomes such as:

- full refund of \$10 000 for private investigation services not supplied;
- full refund of \$300 deposit for solar panels not supplied within a reasonable time;
- \$5000 refund for defective and incomplete landscaping;

- removal and resupply of tiles with a \$3000 refund;
- \$500 refund for loss of power generation income due to delays in warranty work; and
- a brand new and upgraded laptop replacing a defective laptop.

Following several, only partially successful, compulsory conciliations with one trader who was reluctant to reconsider unreasonable terms in their contract, the Commissioner issued a notice of intent to issue a public warning statement regarding the business. The trader then undertook to cease trading while they rewrote the contract and to make good all other complaints against them.

Liquor licence application disputes

Under the Liquor Licensing Act 1997, the Liquor and Gambling Commissioner must determine all non-contested matters and all contested applications for a liquor licence if the parties consent.

The matters listed before the Commissioner (where attendance by the parties is compulsory) and the Licensing Court are published daily in the Public Notices section of The Advertiser newspaper.

Gaming machine licence disputes

Parties to a contested application for a gaming machine licence are invited to speak about the application at a conciliation hearing before CBS. This is a forum for expressing concerns and discussing possible solutions. CBS facilitates the finding of common ground and suggests ways that the objection can be resolved; the Commissioner may suggest a modification to the application or perhaps conditions that may be attached to the licence that will address the objector's concerns.

If the conciliation hearing does not reach a satisfactory resolution, a date will be set for a contested hearing. A hearing may be before CBS (if all parties agree) or before the Licensing Court.

Applications that have not been objected to are heard by CBS.

Matters listed before the Commissioner and the Licensing Court Judge are published daily in the Public Notices section of The Advertiser newspaper.
<http://www.olgc.sa.gov.au/liquor/causelist.pdf>

Security of payment

The *Building and Construction Industry Security of Payment Act 2009* (the Act) commenced on 10 December 2011 to help contractors, subcontractors and suppliers to claim money that is owing to them. Payment disputes can now be resolved through adjudication instead of having to go to court or hire a debt collector. For information on the number of enquiries made to CBS regarding how to claim payments under the Act, the number of adjudications and amounts paid in 2012-13 see appendix 7

Residential Tenancies Tribunal review

Following an internal review of the Residential Tenancies Tribunal (RTT) in June 2012, a conciliation model was implemented to bring parties together to resolve a dispute through mutual agreement without the need for a full hearing. As a result of the new conciliation model, waiting times to have a matter heard before the RTT have improved dramatically compared to the beginning of 2012. With

the success of the conciliation model at the RTT, in March 2013 it was expanded to include all matters that were previously negotiated by the Advice and Conciliation Branch. The model has had significant success with resolution of over 75% of matters coming before the RTT. Those matters not resolved are listed for full hearing; but, often on reduced scope due to some agreement in the conciliation process.

When a dispute is received at the RTT, in relation to a bond dispute or compensation matter, and supporting documentation is on file to substantiate the dispute, the matter is listed for a conciliation conference. Conferences are generally listed giving 21 days notice to parties to allow them time to make arrangements to attend the hearing. This is a significant reduction from the over 90 days in early 2012.

Other listing times fluctuate according to complexity and urgency of the application. Current average waiting times for matters are:

- Vacant possession (eviction) within 14 days (down from 35 days in early 2012).
- Vary or set aside a previous Tribunal order within three to four business days.
- Immediate termination of a tenancy due to serious damage or personal injury within three to four days.
- Free hearing space is also reserved for urgent applications.

The implementation of improvement initiatives is ongoing at the RTT.

Electronic lodgements and applications

The Births, Deaths and Marriages Registration Office (BDM) continued to focus on offering electronic lodgements and applications including:

- Development of an online birth registration service where parents can complete the registration form, pay and order a birth certificate in one transaction.
- Continued promotion of online services to funeral directors, with 70% of funeral directors registering deaths online. 83% of all deaths are now registered online. From 1 July 2012, BDM only offers an online service for cremation permit applications. During 2012-13 9047 cremation permits were issued. Cremation permits are required by crematoriums prior to the disposal of human remains and generally they are provided by BDM on the day they are received from the funeral director.
- Promotion of the online certificate application facility through the CBS website, with 37 900 certificates ordered online.

National identity security strategy

South Australian agencies (CBS, SA Police and the Department of Planning, Transport and Infrastructure) participate under the COAG Inter-Government agreement to implement the National Identity Security Strategy (NISS). The National Identity Security Coordination Group (NISCG) was established to coordinate and implement NISS which aims to maximise the effectiveness and interoperability of work across all levels of government to combat the misuse of stolen or assumed identities.

BDM is a member of one of several NISCG committees and the Document Verification Service Advisory Board. BDM is also represented on the South Australian Identity Security Management Group (SAIDSMAG). In addition, BDM participates as an issuer agency in the Document Verification Service which enables other agencies to determine whether a certificate presented for identification purposes has been issued by BDM and is a valid document.

Strategic Goal 3: To protect people's rights and promote public confidence in our institutions and services

Providing fair and equitable customer service

Access for regional customers

Eleven regional Service SA centres provide a range of CBS services. These service centres are located in Berri, Port Augusta, Mount Gambier, Naracoorte, Whyalla, Port Lincoln, Port Pirie, Gawler, Kadina and Murray Bridge. BDM certificate application forms are also available from post offices. Customers can apply for BDM certificates and occupational licence renewals, or make an enquiry about the status of a residential security bond using the online facilities.

Registration of births, deaths and marriages

BDM maintains registers of all births, deaths, marriages, name changes, adoptions and sexual reassignments that occur in South Australia. Appendix 11 provides a summary of events registered during 2012-13.

Over 24 000 marriage registrations that were previously held on microfilm were computerised, providing customers with improved service delivery by reducing processing times. BDM continued to participate in national initiatives to minimise identity crime and also provided data for research, epidemiology and national statistics.

Extension of online services for BDM

BDM is developing an online birth registration service.

BDM registers approximately 20 000 births per year. Birth Registration Statements are provided to parents by the hospital after the child's birth. Parents are responsible for registering the birth by completing and signing the statement and lodging it with BDM within 60 days of the birth.

With the introduction of the new service, parents will be able to complete the required form, pay and order a birth certificate in one transaction. New functionality will integrate with the current BDM system, passing data directly into the database. Automatic SMS and email technology will be utilised for corresponding with the parents.

The project will realise efficiencies within the department and enable new engagements between government and parents.

Occupational licences

The CBS licensing register contains 75 457 licences and registrations for certain occupations with 8 498 new or upgrading applications for licences and registrations processed during the financial year. Licensed occupations include builders, plumbers, gas fitters, electricians, security and investigation agents, travel agents, second-hand vehicle dealers, conveyancers and land agents. Appendix 8 provides statistical information for each of the licensing areas.

Occupational licensing approvals — review of procedures

An ongoing review of procedures for the approval of occupational licensing applications has resulted in a number of opportunities for improvement. Initiatives implemented so far include:

- acceptance of electronically lodged information;
- developing a simplified renewal document;
- an online licence renewal system;
- an online application process to assist with the completion of forms;
- increasing delegations; and
- simplifying the process for granting licences under mutual recognition.

As a result, plumbing, gas fitting and electrical worker applications are being finalised within three to five days. More complex building applications are finalised within six to eight weeks.

The opening of the Customer Service Centre, in late 2012, has also contributed to more streamlined services and cut red tape.

Builder's licence interviews online for remote applicants

Traditionally, an applicant for builder's licence is required to attend CBS in person for a technical interview assessment. Online building interviews are now being trialled to all eligible applicants. This enables remotely located applicants to be assessed for a builder's licence via the internet, rather than in person, saving applicants considerable time and money.

Approximately 27 technical interviews are conducted each week and at least two per week are now conducted online.

Builder's licence interviews —SMS reminders

All applicants booked in for a building interview now receive SMS messaging reminders. This initiative has received positive customer feedback and has seen the number of interview cancellations decrease.

Liquor licences

CBS is responsible for administering the *Liquor Licensing Act 1997*. The purpose of this Act is to regulate and control the sale, supply and consumption of liquor for the benefit of the SA public and related industries. Particular emphasis is placed on encouraging responsible attitudes towards the promotion and advertising of liquor and minimising the harm associated with liquor consumption. At 30 June 2013 there were 6126 liquor licences. For more statistical information on liquor licences see the CBS website at www.cbs.sa.gov.au.

Gaming machine licence

The Liquor and Gambling Commissioner approves applications for gaming machine licences.

A gaming machine licence authorises the holder to possess and operate gaming machines. Each licence receives authorisation for an approved number of gaming machines, which is the maximum number of gaming machine entitlements that can be held in respect of the licensed premises.

Gaming machines cannot be operated unless the licensee holds one or more gaming machine entitlements. One gaming machine entitlement allows a licensee to operate one gaming machine. Entitlements may only be purchased through the trade system. CBS is responsible for the conduct of the trading rounds within this system. As at 30 June 2013 approximately 550 active live gaming machine licences were held, spread across clubs, hotels and special circumstances licences. Two gaming machine trading rounds were conducted during the year.

Statistical information about gaming machine licences and the trading rounds can be found in the 2012-13 Annual Report of the Independent Gambling Authority at www.iga.sa.gov.au or the Annual Report 2012-13 *Gaming Machines Act 1992* on the CBS website at www.cbs.sa.gov.au.

Book makers and agents licences

The Liquor and Gambling Commissioner is responsible to the IGA for licensing of bookmakers and agents under the *Authorised Betting Operations Act 2000* in South Australia.

The Commissioner also issues permits to bookmakers to enable them to accept bets at racecourses and other venues.

For more information on the licensing of bookmakers and agents see the 2012-13 Annual Report of the IGA at www.iga.sa.gov.au.

Collections for charitable purposes licences

CBS administers the *Collections for Charitable Purposes Act 1939* to protect the public interest in the area of fundraising by non-profit groups. Those that must hold a licence under this Act include:

- Any person acting as a collector who wishes to collect or attempt to collect any money or property; or obtain or attempt to obtain money by the sale of any disc, badge, token, flower, ribbon or other device; or obtain or attempt to obtain a bequest, devise or other grant of money or property for a charitable purpose.
- Any person who has a collection contract with a charity and wishes to employ another person to act as a collector on his/her behalf.
- Any organisation that wishes to conduct entertainment, or sell or attempt to sell a ticket for admission to entertainment and the proceeds or part of the proceeds are for a 'charitable purpose'.

A comprehensive list of all Charities and Collection Agents, with their contact and licence details, including financial details, can be found at www.charities.sa.gov.au.

Lottery

CBS is responsible for ensuring all lotteries conducted are fair and equal to all those who participate, and that they are conducted in accordance with the *Lottery and Gaming Act 1936* and regulations. The purpose is to protect the public from nuisance lotteries and other forms of gambling, by prohibiting all lotteries and gambling unless otherwise authorised or exempt by legislation.

Information about lotteries licensed in 2012-13 can be found at appendix 9.

Registration of incorporated associations and co-operatives

CBS continues to maintain a register for incorporated associations and co-operatives that can be accessed by members of the public. At 30 June 2013 there were 19 770 incorporated associations and 56 co-operatives.

Statistical information about all of these registers is provided at appendix 10.

Residential and commercial tenancies

CBS ceased being responsible for Retail Shop leases in March 2012; however, continued to provide support until October 2012 to the Small Business Commissioner.

Over \$277 million in rental bonds was held during 2012-13, including residential, retail and residential park bonds. During the year there were approximately:

- 62 000 residential bonds lodged and 55 000 bonds refunded;
- 225 retail bonds lodged and 141 bonds refunded; and
- 217 residential park bonds lodged and 202 refunded.

CBS also provided operational and administrative support for Residential Tenancies Tribunal hearings. For further statistical information see Appendix 12.

Tenancies online

To enable greater efficiencies and improved customer service, CBS is currently implementing the Tenancies Online Project.

In November 2012, CBS implemented stage one of the project with the launch of the Residential Bonds Online-Enquiry Portal, which enables customers to search the status of their bond online, and a Government Enquiry Portal. This service enables agents, landlords and tenants to access information relating to the status of a bond, quickly, easily and securely at any time. It has also helped reduce some of the 44 000 calls received in the Bonds Section each year. Stage two of the project will enable bond lodgements, refunds and change management to be completed online. In addition, it will provide agents and self managed landlords the ability to track their entire rent rolls online. This is planned to go live in the second half of 2013. A substantial communication, education and training program will be undertaken to assist customers and encourage take up, following the go live date of stage two.

Justice of the peace services

South Australia has over 7200 Justices of the Peace (JPs).

Following the commencement of the *Justices of the Peace Act 2005* and the *Justices of the Peace Regulations 2006* on 1 July 2006, new criteria and conditions for appointing JPs came into effect. As a result, JPs are now appointed for a 10 year term. JPs appointed prior to 1 July 2006 are required to go through a reappointment process in order to continue serving as a JP.

The majority of applications from JPs who are eligible for reappointment have now been received and it is anticipated that all reappointments will be completed by mid-2015.

JP Services staff also support the Attorney-General's Department Justice of the Peace Volunteer Service, which is staffed by 56 JP volunteers. In 2012-13, this service provided assistance to 16 983 people and witnessed 91 253 documents.

Customer Service Centre

As part of Consumer and Business Services' commitment to continuous improvement and high quality customer service, all customer-facing functions of CBS (except for the Marriage Room and the Attorney-General's Department Justice of the Peace Volunteer Service) have been brought into one single customer service point. Since the Customer Service Centre (CSC) opened on 17 December 2012 staff have served more than 50 000 customers at the front counter. Ninety percent of customers have been served within 15 minutes with 85% of customers served in less than 10 minutes.

The Customer Service Centre is more than a front-counter operation. When not serving customers at the front counters, CSC staff are performing back-office functions, such as receipting and processing applications, responding to email enquiries and answering incoming calls.

To maximise efficiency and customer satisfaction, the CSC has an Information Desk with a concierge who identifies the service that the customer requires and directs them accordingly. CBS has received positive feedback from customers who have come in to use more than one service and individual CSC staff members are also attracting excellent feedback from businesses who have been impressed with their 'can do' attitude and outstanding abilities in understanding and resolving complex problems.

This demonstrates CBS' commitment to being a high performing organisation as well as providing a fair and equitable customer service.

Making effective civil and criminal law

Amendments to the *Gaming Machines Act 1992*

Amendments to the *Gaming Machines Act 1992* came into effect from 9 December 2012. These include:

- restrictions on gaming operations unless a gambling provider has entered into a Responsible Gambling Agreement (RGA) with a recognised industry body and has provided a copy of the RGA to CBS; and
- new mandatory licence conditions that apply to gaming venues that operate between 2am and 8am.

The IGA has recognised Club Safe Limited and Hotels Responsible Gambling Early Intervention Agency Limited (also known as Gaming Care) as industry bodies with which a licensee may enter into a RGA.

CBS advised all licensees by bulletin of these amendments and engaged with recognised industry bodies to ensure that licensees understand the consequences of these amendments.

Real estate reforms

In May 2013, the *Statutes Amendment (Real Estate Reform Review and other Matters) Bill 2013* was passed by Parliament. The reforms will assist in making South Australia ‘An Affordable Place to Live’, which is one of the priorities of the SA Strategic Plan. Importantly, the amendments accomplish 3 principle objectives:

- to strengthen the rights of consumers;
- to increase the level of transparency of real estate auctions; and
- to decrease the administrative burden on real estate agents and auctioneers.

The key legislative amendments include:

- Outlawing the practice of agents underquoting the selling price to attract more bidders to auctions; consumers can have greater confidence in knowing whether a particular property is within their realistic price range;
- Requiring the sales agency agreement to include the minimum price that the vendor is willing to accept for the property. Officers from CBS will be able to see whether that record of the vendor’s minimum price lines up with what is being advertised about the property;
- Restricting advertisements that use words and symbols about the likely selling price, which are often misleading to prospective purchasers;
- Simplifying auction rules to save time for both agents and prospective purchasers. For example, auctioneers will no longer be required to audibly announce each auction condition; instead, they will only be required to audibly announce that the standard conditions of auction apply as binding contractual conditions;
- Agents will only need to make the prescribed form (Form R3 buyers’ information notice) available in a prominent position at an open inspection for interested persons to take, instead of personally handing a copy to every prospective purchaser; and

- Agents will be allowed to email rather than print some documents, saving agents' time as well as thousands of pieces of paper per year.

An education campaign is being developed to inform industry and consumers of the changes.

Residential Tenancies Act 1995 review

The *Residential Tenancies (Miscellaneous) Amendment Act 2013* (the Amendment Act) was passed by Parliament in May 2013. The Amendment Act is the result of extensive public consultation and updates the *Residential Tenancies Act 1995* to reflect the changes that have occurred in the tenancy sector over the past 15 years.

The purpose of the Amendment Act is to improve protections available for parties to tenancy agreements, rooming house agreements and lifestyle village agreements. It contains a comprehensive range of reforms to the *Residential Tenancies Act 1995* that are designed to benefit tenants and landlords, by increasing protection and clarity for both.

- For landlords, it will be easier to evict tenants who are repeatedly in rent arrears and easier to deal with goods left behind by former tenants.
- For tenants, there will be better regulation of entry and inspection times and residential tenancy databases, often referred to as 'tenant blacklists', will be regulated.
- Some reforms are designed to benefit residents and proprietors of rooming houses whose agreements are currently subject to minimal regulation.

Other reforms are designed to improve the administration of the Residential Tenancies Tribunal (RTT), which plays the pivotal role in resolving disputes and providing remedies. For example, the jurisdiction of the RTT will be increased from \$10 000 to \$40 000 and the RTT will be required to attempt to conciliate matters before referring applications for hearing.

Additionally, the scope of the *Residential Tenancies Act 1995* will be expanded to protect residents in lifestyle villages, which provide rental accommodation and services to older South Australians.

A public education campaign will be undertaken to advise relevant parties of their new rights and responsibilities, once the reforms commence.

Security industry reforms

Amendments to the *Security and Investigation Agents Act 1995* were passed by Parliament in April 2013 and are due to commence on 27 September 2013. Their purpose is to implement an agreement made by the Council of Australian Governments (COAG) to adopt a nationally consistent approach to the regulation of the private security industry, with a focus on the guarding sector. The opportunity was also taken to restructure the Act to simplify its presentation, including changing the name of the Act to the *Security and Investigation Industry Act 1995*.

The amendments introduce seven harmonised licensable activities for security agents. All but one (training) are already required to be licensed in South Australia:

- body guarding;

- crowd or venue control;
- general guarding;
- guarding with a dog;
- guarding with a firearm;
- monitoring centre operations; and
- training.

Other changes relate to prescribed or disqualifying offences to reflect the COAG agreement.

Prior to commencement of the changes, existing licensees, training organisations and industry associations will be notified of changes that will affect them. Current licensees will be transitioned to the equivalent nationally agreed licence categories.

National occupational licensing system

In 2008 the Council of Australian Governments (COAG) agreed to a national occupational licensing system (NOLS) to remove inconsistencies across State borders and allow for a more mobile workforce for occupations forming a large part of the economy. Once a national licence is issued to an eligible person, the licence holder will be able to work anywhere in Australia without additional paperwork or cost.

The first wave of occupations comprises electrical; plumbing and gas fitting; refrigeration and air-conditioning mechanics; and property occupations (excluding conveyancers and valuers). To facilitate this, the *Occupational Licensing National Law (South Australia) Act 2011* applies the national law in South Australia. COAG has announced that national licensing will commence from 2014.

Consultation Regulation Impact Statements (RISs) detail the proposed policy positions and identify costs and benefits anticipated from each of the wave one occupations. These documents were released to the public during the first quarter of the 2012-13 financial year. As part of the consultation process, the Commonwealth Government's National Occupational Licensing Taskforce held a consultation road show in Adelaide. Regional information sessions were conducted by CBS in Berri, Mount Gambier, Whyalla and Port Lincoln; and CBS met with representatives of key industry, union, consumer and training bodies to discuss the policy proposals. CBS then co-ordinated formal feedback to the taskforce on behalf of the Government of South Australia.

These discussions formed the basis for the drafting of Decision Regulation Impact Statements (Decision RISs), which were released in mid 2013 for further public consultation.

CBS continues to work closely with the Commonwealth and other states and territories, as well as industry and other SA Government agencies, to finalise the legislation and policies underpinning NOLS, and to provide for a smooth transition for current and prospective SA licensees to occupational licensing under NOLS.

New laws to tackle unfair caveat clauses

On 28 May 2013 the Minister for Business Services and Consumers announced new laws to crackdown on complicated and confusing clauses hidden in home improvement contracts, to reduce

the risk of home owners being misled or duped into giving up rights over their own property. The clauses (known as charging clauses) allow a contractor (builder, plumber etc) to place a caveat over a home.

The reforms will require that home improvement contracts clearly explain:

- the purpose of the charging clause;
- that the effect of a caveat being lodged over the property may restrict the ability of the owner to sell the property; and
- that the charge created by the clause entitles the contractor to apply to the courts for the sale of the property to recover their debt.

The contract must also state that consumers should seek independent advice if they have any concerns.

Gambling reform

Legislation to introduce a suite of new gambling reforms was introduced into Parliament on 1 May 2013.

The *Statutes Amendment (Gambling Reform) Bill 2013* contains amendments to the following Acts administered by the Liquor and Gambling Commissioner:

- *Casino Act 1997*;
- *Gaming Machines Act 1992*;
- *Authorised Betting Operations Act 2000*; and
- *Independent Gambling Authority Act 1995*.

Reforms contained within the Bill are aimed at reducing the harm from problem gambling in the South Australian community and making improvements to existing regulatory measures, including red tape reductions.

Amongst the amendments contained within the Bill are provisions to allow:

- New games and gaming machines to be approved for a limited period of five and ten years, after which time those games and gaming machines will no longer be able to be operated. However, those approvals can be extended by the Commissioner for a further five and ten years respectively.
- Games and gaming machines already approved in prescribed jurisdictions (likely to be New South Wales, Victoria, Queensland and New Zealand) to be automatically approved in South Australia so long as they comply with certain specific South Australian requirements (eg, maximum bet, return to player provisions etc).
- The Adelaide Casino to participate in trading rounds for gaming machine entitlements.
- The Adelaide Casino to be included as another venue at which Club One entitlements can be placed.

- Licensees to no longer be required to seek the approval of the Liquor and Gambling Commissioner for the sale or disposal of gaming machines.
- Expiation fees to extend to breaches of all licence conditions.
- A landlord who has taken possession of a venue to have the full rights and responsibilities of a licensee.

It is expected that the first main tranche of amendments contained within the Bill will be introduced in January 2014, with other commencement dates coming into effect from July 2014 through to 2018.

Liquor licensing general code of practice

The new *General Code of Practice* under the *Liquor Licensing Act 1997* (Code) came into operation on 18 January 2013. The Code applies to all licensees and replaces the previous Code of Practice with which licensees were required to comply for many years. Under the new Code:

- Responsible service of alcohol training is mandatory for all staff involved in the service or supply of liquor, to ensure that staff are well equipped to deal with difficult situations that may arise and to reduce the likelihood of incidents of intoxication.
- Licensees must undertake a risk assessment of their operations and have a written management plan in place to address those risks identified.

The Code also includes requirements relating to:

- minors;
- promoting a responsible attitude towards the consumption of liquor;
- intoxication and disorderly, offensive, abusive or violent behaviour;
- disturbances;
- drink spiking; and
- induction and refresher training.

In consultation with industry, CBS has developed supporting guidelines to assist licensees to comply with the Code. In addition, CBS has developed a risk assessment and management plan template, to assist licensees to comply with the requirement to have a written management plan in place. These guidelines and template are available on the CBS website.

The Liquor and Gambling Commissioner provided licensees with a three month education phase starting from 18 January 2013, to allow them time to finalise their management plans. Licensees also had six months to ensure that all staff employed prior to the introduction of the Code are properly trained in relation to the content of the management plan.

Liquor licensing late night code of practice

On 6 June 2013, the *Late Night Trading Code of Practice* under the *Liquor Licensing Act 1997* (Code) was Gazetted and will come into operation on 1 October 2013. The announcement followed consultation on the draft code that occurred in late 2012.

The aim of the Code is to encourage a culture of responsible service and consumption of alcohol, to minimise the social and economic harm caused by excessive alcohol consumption, and to reduce the level of alcohol related violence that occurs in, or in the vicinity of, licensed premises.

The Code requires premises to adhere to a higher standard of operation during certain hours, to address the increased risks associated with late night trading.

It will apply to venues that operate after 3am and require measures such as the use of polycarbonate glassware, enhanced CCTV, metal detectors, a restriction on shots and will introduce late night restricted entry to prevent bar-hopping.

Small venue liquor licence

Following an announcement by the Premier in late 2012 about plans to utilise the city's smaller laneways to attract people to the heart of the city, a new small venue licence was introduced, with a maximum capacity of 120 people. This licence reduces red tape for entrepreneurs and provides a streamlined and flexible process for applicants.

To make getting started as simple as possible, CBS is providing extra assistance to those seeking to obtain this licence. Case management is being offered to people who are seeking to open a small venue. This will assist through the early planning and licensing stages.

Not-for-profit sector reform

On 11 October 2012, in a joint media release with the Commonwealth, the Minister for Business Services and Consumers announced that the South Australian Government would look at the *Collections for Charitable Purposes Act 1939* and *Associations Incorporations Act 1985* with a view to harmonising reporting processes for small, medium and large organisations within the framework of the new Australian Charities and Not-for-Profits Commission Act.

Charities code of practice

The *Charities Code of Practice* came into operation on 1 March 2013. The principles within the code of practice aim to ensure the following regulatory objectives:

- integrity — collection activities are undertaken and disclosed in a way that generates confidence amongst donors;
- disclosure — donors have the opportunity to understand who they are donating to and are confident in their donation decisions;
- respect — donors right to privacy and to not donate are respected by collectors and collectors rights are respected by licensed charities; and

- minimal red tape — measures introduced to achieve integrity and disclosure in a way that minimises red tape to charitable organisations.

Electronic vendors statements for the sale of land

The *Land and Business (Sale and Conveyancing) Act 1994* requires a vendor of land to disclose information to the purchaser using the Form 1 vendors statement. The majority of the Form 1 content is obtained from a property interest report provided by the Land Services Group (LSG) of the Department of Planning, Transport and Infrastructure. Currently land agents and conveyancers produce copies of Form 1 using their own computer systems and transcribe the information from the property interest report into the statement. There is an inherent risk of errors with this process.

In collaboration with LSG, CBS is creating an editable PDF version of the form, with some of the fields pre-populated. The red tape reduction for industry from this initiative is estimated at approximately \$3.2 million per annum.

Fuel industry code

On 28 April 2013, the Minister for Business Services and Consumers announced that a new industry code, under the *Fair Trading Act 1987*, would be introduced to regulate how petrol station operators display petrol prices in an effort to eliminate confusion around discounted petrol advertising in South Australia.

The industry code will:

- only apply to petrol stations that already maintain a fuel price board and will not compel petrol stations to establish fuel price boards;
- prohibit petrol stations displaying discounted petrol prices;
- require that the displayed price at the pump be lower than the advertised fuel price board where there is a pricing discrepancy, often due to a timing differential (ie where the actual price and fuel price board can not be changed simultaneously).

The new code will come into effect on 1 October 2013. Petrol station operators will be given a transitional period to become compliant with the new code, once it is in place.

Free range eggs industry code

CBS has consulted South Australian egg growers, retailers and consumers regarding development of a voluntary industry code, under the *Fair Trading Act 1987*, that will provide standards for production of free range eggs in South Australia.

With no national approach or ability to regulate interstate growers, the South Australian Government proposes to develop a voluntary industry code under the *Fair Trading Act 1987*. The code would establish a label (with associated certified trademark) to identify the product as meeting standards consistent with SA consumers' expectations. This will provide consumers with certainty about what they are purchasing, without disadvantaging local industry.

The code would operate on a voluntary basis so as not to restrict other growers (who may comply with existing accreditation schemes) from labelling their product as Free Range Eggs.

Only growers who comply with the voluntary code could label their product as code compliant or the like.

Strategic Goal 4: To be a high performing organisation

Investing in our people

Encouraging staff to take on the challenges of development and growth

Communication and staff engagement form an integral part of CBS' Change Management Strategy. Regular information sessions, focus and working groups are held and convened for specific projects as well as overarching programs. A new 'Commissioner's News' communication is sent to all staff to provide regular updates and promote changes and achievements across the agency.

A 'Building a Customer Centric Culture and Leadership Development Program' is underway, offering a cross section of CBS the opportunity to develop and grow in these areas, and lead progress towards CBS' business objectives. Senior managers, team leaders and 'front line' staff (in the role of Customer Service Ambassadors) are involved and are leading change projects that will deliver positive results for both the agency and customers.

Relevant training and temporary assignments in other business units are actively encouraged in order to promote staff development and learning. Performance development plans are discussed between staff members and managers in order to develop skills and identify any training opportunities or requirements. Staff are encouraged to regularly consult the Attorney-General's Department (AGD) Corporate Training intranet pages for suitable career development opportunities.

CBS promotes the services of the AGD Employee Assistance Program, which aims to support and help staff at all levels of the organisation, including a manager's hotline and free wellbeing seminars on various topics. Specific sessions have been tailored and offered to all CBS staff and these will continue throughout the program's lifecycle.

CBS has committed to developing a comprehensive HR strategy, including career progression opportunities and succession planning. Business unit redesign includes greater career progression opportunities and offers the potential to cross skill in other areas where possible. A focus on cross-agency training is also a priority of the strategy.

Many CBS staff have taken part in Business Improvement training and coaching over the past couple of years, with several teams from CBS attending the AGD Business Improvement Program during the year, delivering tangible results in core business units. This improvement training and coaching continues to offer staff the opportunity to develop professionally and contribute to the goals set out in CBS' Purpose and Direction document by delivering business improvements.

Providing a safe work environment

During 2012-13 the relocation of staff into 91 Grenfell Street was completed. The interim OHSW Committee recommended that CBS be represented on a floor by floor basis and that all elected health & safety representatives attend CBS committee meetings. On this basis, the terms of reference were revised and nominations sought from staff for representatives from each floor in Chesser House and also from the Residential Tenancies Tribunal in 100 Pirie Street. The new Health & Safety Committee was to commence operations from 1 July 2013.

A major focus for the OHSW committee during 2012-13 was to develop a hazard risk register and ensure adequate treatments were identified and communicated to staff. Following staff relocations

into 91 Grenfell Street and also moves between floors, a workplace Hazard Inspection was carried out for each floor and an action plan developed. The committee also assisted the AGD Corporate OHSW Committee with the review and roll out of new and revised policies and procedures for promulgation throughout the Attorney-General's Department.

Change program

The Change Program has shifted its focus towards Continuous Improvement and Cultural Change with business improvement becoming a way of life. Whilst several new business units have been realigned and created over the past 12 months, including Investigations and Inspections, and Advice and Conciliation, there are still some outstanding areas to be finalised, including Licensing and Registration. CBS now offers greater dispute resolution services for consumers and businesses alike as well as a more proactive approach to investigating complaints against traders and non-compliance. Many of the structural changes necessitated the relocation of staff and customer services to one central location in Chesser House and a major accommodation project was completed in March of this year.

Continuous improvement priorities for the team this year include the development and implementation of an ICT strategy and governance to ensure a focused approach to ICT expenditure and resource utilisation across the agency and the delivery and improvement of a new CBS website, combining the information and services previously offered by OCBA and OLGC. A major review of the investigations function was also undertaken and a major implementation program is now underway. One of the most significant outcomes in this area for CBS this year has been the development and deployment of the CBS Purpose and Direction, which sets out the guiding principles, key focus areas and objectives for CBS as a whole. This guides the business planning, professional development and cultural change programs being carried out across the agency.

Change agents

Change Agents have been part of the Change Program since its inception in 2010-11. As the Change Program progresses, the role of Change Agents has been reviewed and a more proactive and interactive program is now in place. Staff who take up the role of a Change Agent are provided with training to assist in the promotion and integration of cultural change and business improvement projects across CBS. Change Agents continue to communicate with and support colleagues as well as assisting in embedding changes throughout the organisational culture.

Training and development

The majority of CBS staff undertook training and development in 2012-13. Particular emphasis was placed on leadership development and customer service delivery training. 136 staff were involved in leadership development courses and a further 139 attended customer service delivery training.

The Attorney-General's Department was successful in securing Federal Government funding in the 'Productivity Places Program for Existing Workers' for 2012-13, in collaboration with training company ASC Training and Development. As part of this program a number of CBS staff completed a nationally recognised Certificate IV qualification in frontline management, project management or training and assessment, in support of management development; and four staff are currently undertaking a Diploma of Management.

Staff were also involved in courses on other topics such as code of ethics training, aboriginal cultural awareness and maximising safety in the office.

Reducing red tape

In 2012-13 CBS continued reviewing its business processes and online capabilities, providing significant reductions in red tape for business in South Australia.

Occupational licence applications and renewals

CBS is enhancing the Electronic Licence Application Process, which will enable clients to complete an occupational licence application electronically. Currently applications can not be lodged electronically; however, systems are being improved to enable electronic lodgements to be introduced in 2014. Customers can currently renew occupational licences online, with more than 3000 licences having been renewed online during the 2012-13 financial year.

In addition, a series of “round table” discussions were held with industry groups and consultation was undertaken with CBS staff to identify a range of potential improvements to legislation. These aim to reduce the regulatory burden on business by around \$18M pa and improve protection for consumers. A statutes amendment bill to make these changes will be introduced to Parliament in the second half of 2013.

Online cremation permit applications

Online lodgement of applications for cremation permits was implemented in 2011-12 to enable the Births, Deaths and Marriages Registration Office (BDM) to maintain service standards while managing an increasing number of cremation permit applications. From 1 July 2012, BDM only offers an online service for cremation permit applications. During 2012-13 9047 cremation permits were issued. Cremation permits are required by crematoriums prior to the disposal of human remains, and generally they are provided by BDM on the day an application is received from the funeral director.

Online birth registration

BDM is developing an online birth registration service.

With the introduction of the new service, parents will be able to complete the required form, and pay and order a birth certificate in one transaction. New functionality will integrate with the current BDM system, passing data directly into the database. Automatic SMS and email technology will be utilised for corresponding with the parents.

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agents and self managed landlords the ability to track their entire rent rolls online. This is planned to go live in the second half of 2013. A substantial communication, education and training program will be undertaken to assist customers and encourage take up, following the go live date of stage two.

Appendix 1 Terminology

ACCC - Australian Competition and Consumer Commission

ACL - *Australian Consumer Law*

AGD- Attorney-General's Department

BDM - Births, Deaths and Marriages Registration Office

CBS - Consumer and Business Services

COAG- Council of Australian Governments

ICT- information and communications technology

IGA- Independent Gambling Authority

Landlord means the grantor of a right to occupy premises under a residential tenancy agreement. A landlord need not be a trader: for example, when engaged in a single letting of his or her own premises.

Licensee is a general term used in this report to cover people who must be licensed or registered to trade or to be employed legally in a particular occupation.

NOLS- National Occupational Licensing System

OCBA - Office of Consumer and Business Affairs

OLGC - Office of the Liquor and Gambling Commissioner

RGA- responsible gambling agreement

RTT- Residential Tenancies Tribunal

Tenant means the person who is granted a right of occupancy under a residential tenancy agreement or a person to whom the right passes by assignment or operation of law and includes a prospective tenant or a former tenant.

Trader is a general term used in this report to cover any trade, business or professional person, including, but not limited to, credit providers, insurers, agents and brokers.

Appendix 2 Legislation Administered

The Commissioner for Consumer Affairs administers the following Acts:

Australian Consumer Law (SA) 2010
Building and Construction Industry (Security of Payment) Act 2009
Building Work Contractors Act 1995
Conveyancers Act 1994
Fair Trading Act 1987
Hairdressers Act 1988
Land Agents Act 1994
Land and Business (Sale and Conveyancing) Act 1994
Land Valuers Act 1994
Plumbers, Gas Fitters and Electricians Act 1995
Residential Parks Act 2007
Residential Tenancies Act 1995
Second-hand Vehicle Dealers Act 1995
Security and Investigation Agents Act 1995
Travel Agents Act 1986

The *Misrepresentation Act 1972* also provides important consumer rights.

The Commissioner for Prices administers the

Prices Act 1948

The Commissioner for Corporate Affairs administers the following Acts:

Associations Incorporation Act 1985
Companies (Administration) Act 1982
Co-operatives Act 1997

The Liquor and Gambling Commissioner administers the following acts:

Collections for Charitable Purposes Act 1939

Gaming Machines Act 1992

Liquor Licensing Act 1997

The Commissioner also has responsibilities under the:

Authorised Betting Operations Act 2000

Casino Act 1997

Lottery and Gaming Act 1936

The Registrar, Births, Deaths and Marriages is a statutory office holder who reports to the Commissioner for Consumer Affairs. The Registrar is responsible for administration of the:

Births, Deaths and Marriages Registration Act 1996

Marriage Act 1961 (administration of Commonwealth Act in SA)

The Commissioner and/or Registrar of Births, Deaths and Marriages, also have responsibilities under:

Adoption Act 1988

Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981

Coroner's Act 2003

Cremation Act 2000

Criminal Investigation (Covert Operations) Act 2009

Da Costa Samaritan Fund (Incorporation of Trustees) Act 1953

Family Relationships Act 1975

Evidence Act 1929, under Section 49 (7)

Maralinga Tjarutja Land Rights Act 1984

Partnership Act 1891

Sexual Reassignment Act 1988

Trustee Companies Act 1988

Witness Protection Act 1996.

Appendix 3 Products Withdrawn or Recalled 2012-2013

Surveillance	Products withdrawn or recalled	Outcome/Reason
General Market Surveillance August 2012 (4 product lines)	Portable cot Children's nightwear Cosmetics (temporary tattoos) Small, high powered magnets	Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory information Withdrawn - Banned product
Royal Adelaide Show Surveillance September 2012 (1 product line)	Yo-yo water balls	Withdrawn - Banned product
General Market Surveillance October 2012 (3 product lines)	2x Cosmetics (temporary tattoos) Cosmetics (make-up)	Withdrawn - Failed mandatory information standard Withdrawn - Failed mandatory information standard
General Market Surveillance November 2012 (3 product lines)	Baby walker Sunglasses Children's toys	Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard Withdrawn and recalled - Failed mandatory safety standard
General Market Surveillance January 2013 (1 product line)	Baby dummies	Withdrawn - Failed mandatory safety standard
General Market Surveillance March 2013 (5 product lines)	Strollers Strollers Baby dummies Children's nightwear Blind and curtain cords	Withdrawn and recalled - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard Withdrawn and recalled - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard
General Market Surveillance April 2013 (4 product lines)	Baby dummies Baby bath aid Household cot Motor vehicle recovery strap	Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard
General Market Surveillance May 2013 (15 product lines)	2 x Hot water bottles Household cot Aquatic toys Children's toys 8 x Cosmetics Baby dummies Children's nightwear	Withdrawn and Recalled - Failed mandatory safety standard Withdrawn and recalled - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory safety standard Withdrawn - Failed mandatory information standard Recalled - Failed mandatory safety standard Recalled - Failed mandatory safety standard
General Market Surveillance June 2013 (1 product line)	Cosmetics (temporary tattoos)	Withdrawn - Failed mandatory information standard

Appendix 4

Analysis of Fair Trading Enquiries Received

Analysis of Enquiries¹ Received by Category

1 July 2012 to 30 June 2013

Main Category	Variation	2012-13	2011-12
1 General Goods	-21%	9 005	11 387
2 Building & Construction	23%	7 699	6 274
3 Motor Vehicles	-11%	4 788	5 398
4 Travel, Hospitality & Tourism	-26%	599	808
5 Communication	-18%	833	1 018
6 Insurance	0%	281	280
7 Credit & Finance	-17%	321	385
8 Real Estate & Accommodation	-22%	770	983
9 Marketing Methods	-37%	264	417
10 General Services	-18%	7 655	9 360
11 Referred Matters	-22%	6 461	8 274
12 Scams & Schemes	-32%	971	1 438
13 Product Safety & Standards	11%	30	27
14 Other	-49%	1 876	3 706
TOTAL for Period	-16%	41 553	49 755

Note 1 - The CBS Advisory Service provides free fair trading advice to consumers and traders. Enquiries include contacts by telephone and in person.

Appendix 5

Analysis of Complaints Received by Product or Service

1 July 2012 to 30 June 2013

Category	Variation	2012-13		2011-12	
		Sub-total	Total	Sub-total	Total
Residential Building					
1 Construction	-15%		975		1148
Air conditioning, heating installation		38		27	
Building & decorating products		6		45	
Carpentry, joinery		5		11	
Pest control services		4		11	
Concrete work, foundations, brickwork, paving		48		42	
Electrical (incl solar panel systems)		361		394	
Fences, garden walls, gates		25		17	
Garages, carports, sheds, water tanks		26		76	
Gardening & outdoor products		57		20	
Home construction, extensions, renovations		211		278	
Painting, decorating, plastering		19		21	
Plumbing - water, gas, drainage		36		28	
Roofing, insulation, roof treatments		42		62	
Swimming pools, spas, hot tubs		12		35	
Tiling		13		24	
Other		72		57	
2 General Consumer Products	-32%		727		1066
Air conditioners		10		9	
Literature, stationery, CDs & DVDs		16		34	
Clothes		59		80	
Electrical goods - other		6		46	
Food products		54		49	
Footwear		14		29	
Furnishings		39		55	
Furniture - lounge suites		24		51	
Furniture - other		50		73	
Haberdashery, clothing materials & accessories		5		7	
Heaters & hot water systems		31		27	
Household appliances		51		7	
Jewellery, clocks and watches		35		37	
Pets & pet products		15		24	
Photographic equipment & supplies		18		12	
Health & cleaning products		28		97	
Sports & camping equipment		31		19	
Televisions, VCRs & DVD players		46		47	
Whitegoods - other		16		25	
Whitegoods - refrigerators		19		31	
Whitegoods - washing machines		17		22	
Other general goods		143		285	

Category	Variation	2012-2013		2011-12	
		Sub-total	Total	Sub-total	Total
3 General Services	-13%		586		670
Dry cleaning		9		7	
Education & training		19		26	
Employment		5		8	
Health & fitness (gyms)		49		49	
Furniture removals		13		15	
Health services		13		13	
Household services		66		60	
Introduction agencies		2		8	
Transport services		28		26	
Personal services		69		106	
Professional & technical services		34		49	
Utilities & fuel supply		22		54	
Sport, culture & recreation		25		35	
Other services		232		214	
4 Motor Vehicles and Transport Products	-15%		377		444
Purchase of new motor vehicles		42		39	
Purchase of new & used motor cycles		8		15	
Purchase of used motor vehicles		143		154	
Consignment sales		1		4	
Automotive repair & servicing		107		130	
Spare parts & accessories		43		42	
Other transport vehicles & equipment		33		60	
5 Travel, Hospitality and Tourism	-35%		156		241
Travel agents		12		28	
Tours		10		9	
Passenger services		42		98	
Car, Campervan & Caravan rental		28		14	
Hotels, motels, hostel		37		53	
Other		27		39	
6 Scams and Schemes	-55%		108		240
Scams (eg Nigerian scam)		97		220	
Get rich quick schemes		11		20	
7 Communication & Information	-10%		201		223
Telephone services & products		79		106	
Internet		12		21	
Television & other services		11		14	
Computers and software		99		82	
8 Real estate, accommodation	-28%		107		148
Property sales and listings		67		71	
Property management		18		18	
Other - accommodation and real estate		22		59	

Category	Variation	2012-2013		2011-12	
		Sub-total	Total	Sub-total	Total
9 Marketing Methods	-25%		69		92
Internet - Marketing, Distant Selling		22		34	
Discount & gift voucher schemes		28		41	
Other		19		17	
10 Product Safety	-50%		46		92
Product safety/standards & hazardous products		46		92	
11 Credit, finance, investment	-57%		21		49
Credit & finance		19		45	
Investment		2		4	
12 Insurance	-21%	19	19	24	24
TOTAL FOR PERIOD	-24%		3392		4437

Note 1 - The 24% decrease in complaints received in the 2012-2013 financial year may be due to a number of factors. One possible factor leading to a decrease in complaints was the adoption of a new 30 day conciliation model that incorporated the increased use of Compulsory Conciliation Conferences.

Note 2 - The incidence of reported scams continue to drop (down 55%) due to greater consumer awareness and greater utilisation of the national SCAMwatch reporting mechanism.

Appendix 6

Analysis of Complaints Investigated by Practice

1 July 2012 to 30 June 2013

Practice	Variation	2012-13	2011-12
1 Quality	-11%	1074	1207
2 Contracts	-40%	683	1140
3 Warranties	-19%	398	488
4 Miscellaneous Conduct	-43%	254	442
5 Representations	13%	337	297
6 Price	-14%	227	264
7 Scams and Schemes	-61%	93	240
8 Advertising	30%	222	171
9 Product Safety/Standards & Hazardous Products	-53%	43	92
10 Sales Methods	-60%	29	72
11 Credit	4%	24	23
12 Product Labelling	-20%	8	10
TOTAL	-24%	3392	4446

Appendix 7 Security of Payment

Applications for adjudication of payment disputes are made to Authorised Nominating Authorities. These are private sector organisations, authorised by the Minister for Business Services and Consumers to take applications for adjudication under the *Building and Construction Industry Security of Payment Act 2009* and refer them to suitable adjudicators.

As the Act commenced operation on 10 December 2011, 2012/13 is the first full year of operation.

<i>Applications for Adjudication</i>	2012-13
Number of applications determined	61
Total claimed (determined applications)	\$3 088 961
Total awarded to claimants	\$2 261 129
Total adjudication costs applied to claimants	\$16 569
Total adjudication costs applied to respondents	\$108 353
Requests for advice to CBS	131
Number of Authorised Nominating Authorities	7

Appendix 8 Occupational Licensing and Registration

Licences and registrations issued 2012-13

- CBS administers registers containing 75 457 licences and registrations under seven separate pieces of legislation.
- Staff receive approximately 1500 occupational licensing enquiries weekly from customers either phoning or visiting CBS in person.
- 8 498 applications for new and upgraded licences and registrations were processed during the 2012/13 financial year.

Builders

Builders who contract for building work must be licensed. Individuals who supervise building work for a contractor must be registered.

<i>Licences (Builders)</i>	2012-13	2011-12
Held by bodies corporate (usually companies)	4 226	4 117
Held by natural persons (individuals or members of partnerships)	18 926	19 142
Held by building work supervisors registrations only	3 407	3 296
Total	26 559	26 555
Applications for New Licences/Registrations or a change of conditions processed	2 516	2 554

Security and Investigation Agents

<i>Licences (Security and Investigation Agents)</i>	2012-13	2011-12
Held by bodies corporate (usually companies)	391	370
Held by natural persons	8 287	7 956
Total	8 678	8 326
Applications for New Licences/Registrations or a change of conditions processed	1 404	1 215

Plumbers, Gas Fitters and Electricians

Plumbers, gas fitters or electricians who contract for work are required to be licensed. Individuals who physically perform plumbing, gas fitting or electrical work must be registered.

<i>Plumbers, Gas Fitters and Electricians</i>	2012-13	2011-12
<i>Licences</i>		
- Plumbing	1 966	1 796
- Gas Fitting	1 466	1 297
- Electrical	5 560	5 175
<i>Registrations</i>		
- Plumbing	4 378	5 001
- Gas Fitting	3 687	4 024
- Electrical	17 683	20 280
Total	34 740	37 573
Applications for New Licences/Registrations or a change of conditions processed	3 587	3 517

Land Agents, Real Estate Sales Representatives and Auctioneers

<i>Licences (Land Agents, Sales Representatives and Auctioneers)</i>	2012-13	2011-12
Held by land agent bodies corporate (usually companies)	871	849
Held by land agent natural persons	2 084	2 006
Held by sales representative and auctioneer natural persons	2 201	2 324
Total	5 156	5 179
Applications for New Licences/Registrations processed	820	836

Conveyancers

<i>Licences (Conveyancers)</i>	2012-13	2011-12
Held by bodies corporate (usually companies)	64	63
Held by natural persons	615	615
Total	679	678
Applications for New Licences/Registrations processed	32	33

Travel Agents

<i>Licences (Travel Agents)</i>	2012-13	2011-12
Held by bodies corporate (usually companies)	158	152
Held by natural persons	55	58
Total	213	210
Applications for New Licences/Registrations processed	25	19

Second-hand vehicle dealers

<i>Licences (Second-hand Vehicle Dealers)</i>	2012-13	2011-12
<i>Held by bodies corporate (usually companies)</i>		
- second-hand vehicle dealers	371	367
- second-hand motor cycle dealers	31	33
<i>Held by natural persons</i>		
- second-hand vehicle dealers	749	750
- second-hand motor cycle dealers	56	59
Total	1 207	1 209
Applications for New Licences/Registrations processed:		
- second-hand vehicle dealers	108	87
- second-hand motor cycle dealers.	6	12
Registration of trading premises	79	52

Appendix 9 Lottery Licences

The *Lottery and Gaming Regulations 2008* allow for the following classes of lotteries:

- Minor Lotteries
- Major Lotteries
- Minor Bingo
- Major Bingo Lotteries
- Instant Lotteries
- Sweepstakes
- Calcutta Sweepstakes
- Participation Lotteries
- Non-fundraiser Lotteries
- Minor trade Promotion lotteries
- Trade Promotion Lotteries.

The following classes of lotteries are licensed by CBS:

- Major Lotteries
- Major Bingo
- Instant Lotteries
- Trade Promotion Lotteries

<i>Lottery Licences</i>	2012 - 2013
<i>Fundraiser lotteries(Major Bingo, Major and Instant Lotteries)</i>	655
Trade promotion	4620
Total	5275

Appendix 10

Association and Co-operative Registrations

CBS maintains the registers of incorporated associations and co-operatives within South Australia. The registers are available for inspection by the public upon payment of the prescribed fee at CBS.

Staff currently handle approximately 640 general telephone enquiries weekly.

Incorporated Associations

	2012-13	2011-12	2010-11	2009-10	2008-09
Incorporated associations on the register (at 30 June)	19 770	19 516	19 270	19 046	18 802
Incorporated during the year	380	332	348	364	327
De-registered and wound-up	78	78	103	91	126
Periodic returns lodged	656	724	974	863	882
Searches of the public register	702	707	901	847	980

Co-operatives

	2012-13	2011-12	2010-11	2009-10	2008-09
Co-operatives on the register (at 30 June)	56	57	60	59	56
Incorporations	0	0	1	1	0
Foreign registrations	0	1	0	2	0
De-registrations	1	4	0	0	0

Appendix 11

Births, Deaths and Marriages

REGISTRATIONS	2012-2013	2011-2012	% Difference
Births	20 363	20 427	-3
Still-births	76	86	-11.6
<i>Total Births</i>	<i>20 439</i>	<i>20 513</i>	<i>-4</i>
Deaths	13 224	12 723	3.9
Marriages	8 326	8 236	1.1
Change of Name Registration			
Change of Name Registration	2 905	2 842	2.2
Change of Name - Court Order/Interstate	106	132	-19.7
Change of Name - Rejected	1	3	-66.7
<i>Total Change of Name</i>	<i>3 012</i>	<i>2977</i>	<i>1.2</i>
Adoptions - Open	0	0	
- Closed	53	19	179
Reassignment of sex	7	3	133
Surrogacy Orders	2	4	-50
Legitimations	43	52	-17.3
Cremation Permits	9 047	8 917	1.5
Corrections	12 248	8 920	37.3
DOCUMENTS ISSUED (Mail, Counter, SSA)			
Std Certificates - Births	31 835	33 869	-6
Std Certs (from commemoratives) - Births	10 006	10 395	-3.7
Certificates – Deaths	6 968	10 675	-34.7
Certificates – Marriages	13 215	13 372	-1.2
Std Certs (from commemoratives) - Marriages	172	186	-7.5
Certificates - Change Of Name	2 278	2 274	.2
Sub-total Certificates	64 474	70 771	-8.9
DOCUMENTS APPLIED FOR ONLINE			
Online Certificates - Births	17 734	18 282	-3
Online Certificates - Deaths	9 841	5 866	68
Online Certificates - Marriages	10 358	9 651	7.3
Online Certificates – Change of Name	1	2	-50
Sub-total Online Certificates	37 934	33 801	12.2
Total commemorative certificates	10 515	10 991	-4.3
Grand Total Certificates	112 923	115 563	-2.3
MARRIAGES AT THE REGISTRY			
Notices given	1 294	1 269	2.0
Marriages solemnised	1 065	1 087	-2.0
Registry marriages as % of all SA marriages	12.8	13.2	-3.0

Appendix 12 Residential and Retail Tenancies

Bonds	2012-13	2011-12	2010-11
Total tenant provided residential bonds held	144 478	101 661	97 090
Total SAHT provided residential bonds held	335	335	368
Total SAHT residential bond guarantees held	53 989	35 231	30 553
Total residential bonds held	198 802	137 227	128 011
Tenant provided residential bonds (\$)	216 970 172	141 394 786	125 618 940
SAHT provided residential bonds (\$)	142 928	142 928	156 944
SAHT residential bond guarantees (\$)	54 638 669	33 902 670	26 916 238
Total residential bonds held (\$)	271 751 769	175 440 385	152 692 122
Residential bonds lodged	61 580	62 195	55 394
Residential bonds refunded	55 117	52 826	49 049
Total retail bonds held	3 761	3 536	3 305
Total retail bonds held (\$)	5 617 419	5 217 006	4 825 389
Retail bonds lodged	225	617	596
Retail bonds refunded	141	384	320
Total residential park bonds held	689	472	464
Total residential park bonds held (\$)	326 879	184 558	167 118
Residential park bonds lodged	217	238	245
Residential park bonds refunded	202	230	213
Incoming bond calls	43995	47 850	49 602
Incoming emails requesting advice	1956	1 904	1 137
Advice	2012-13	2011-12	2010-11
Requests for assistance (<i>files</i>)	123	256	384
Tribunal files investigated ¹	2 027	2 610	2 345
Customer contacts (<i>inc outgoing calls and counter</i>)	6 450	7 432	4 830
Incoming tenancy advice calls	52 119	56 068	68 084
Incoming emails requesting advice	2 410	2 220	1 616
Education sessions	42	30	40
Expiation notices issued by the Branch	111	87	146
Tribunal Support Section	2012-13	2011-12	2010-11
Applications lodged	11 989	11 410	10 537
Hearings listed - metro	10 695	9 257	7 646
Hearings listed - country	783	361	697
Hearings listed - country video conference	301	733	590
Hearings actually conducted	10 044	8 944	6 933
Incoming emails relating to hearings	6525	2 262	1 141

RTT Listings by category	2012-13		2011-12		2010-11	
	#	% ²	#	%	#	%
Vacant possession	6717	59	6 213	65	4 809	58
Bond and compensation	3146	27	2 394	25	2 399	29
Miscellaneous	826	7.2	409	4.3	637	7.0
Vary or set aside	602	5.2	361	3.8	333	4.0
Termination due to tenant conduct	111	1.0	133	1.4	113	1.4
Immediate termination	49	0.4	54	0.6	43	0.5
Retirement Villages	22	0.2	51	0.5	8	0.1
Exemptions	5	0.0	3	0.0	1	0.0
Total metro and country	11 478		9 618		8 343	

Note 1 - Since 4 March 2013 Tribunal files are no longer investigated by the Advice section of the former Tenancies branch (now part of Advice and Conciliation branch). These matters are now listed for conciliation or hearing by the Residential Tenancies Tribunal.

Note 2 - Percentages may not add up to 100% as they have only been calculated to the first decimal place.

Note 3 - From 26 October 2012 retail bonds ceased being lodged with Consumer and Business Services. They are now lodged with the Office of the Small Business Commissioner.

Appendix 13

Companies and Co-operatives Liquidation Accounts

CBS maintains accounts where unclaimed monies received from liquidators of companies (from any liquidation that commenced on or before 1 January 1991) and co-operatives must be deposited. Persons entitled to any of those funds held may make claims and, upon satisfactory proof, are paid their entitlements.

	\$
Companies Liquidation Account	
Balance at 1 July 2012	94 244.40
Add: Amounts received during the year pursuant to section 427(1) of the Companies Code	0
Less: Amount paid to claimants in accordance with section 427(1)	0
Payments to Consolidated Account in accordance with section 427(6)	
Balance at 30 June 2013	94 244.40

	\$
Co-operatives Liquidation Account	
Balance at 1 July 2012	64 992.85
Add: Amounts received during the year pursuant to section 331 of the Co-operatives Act 1997	0
Less: Amount paid to claimants in accordance with section 331	0
Payments to Consolidated Account in accordance with section 331	
Balance at 30 June 2013	64 992.85

Appendix 14

Miscellaneous Corporate Affairs Commission Responsibilities

Evidence Act 1929

No applications for banker's orders were made during the year.

Partnership Act 1891 - Part 3 - Limited Partnership

Part 3 of the *Partnership Act 1891* provides for the registration of a limited partnership. There was one new registration and no de-registrations during the year with the total number of limited partnerships registered as 29. Part 3 of the *Partnership Act 1891* also provides for the registration of an incorporated limited partnership. There were no new registrations and no de-registrations during the year with the total number of incorporated limited partnerships registered remaining at two.

Da Costa Samaritan Fund (Incorporation of Trustees) Act 1953

The Act requires the lodgement of a report on the financial position and accounts of the trust by a registered company auditor. The Act also requires the auditor to lodge a certificate certifying that he/she has inspected the documents of title and securities evidencing the property held by the trust and is satisfied that the balance sheet contains a true statement of the property held by the trust. Financial reports and certificates are required to be lodged with the Corporate Affairs Commission yearly.

Maralinga Tjarutja Land Rights Act 1984

The Act requires Maralinga Tjarutja to lodge a copy of the audited accounts and give notice of those persons who are members of the Council of Maralinga Tjarutja. A copy of the audited accounts and a notice of those persons who are members of the Council of Maralinga Tjarutja relating to the financial year ending 30 June 2013 are due to be lodged with Consumer and Business Services by the end of October 2013.

Appendix 15 Assurances and Court Actions

Assurances

No.	Trader	Date	Act	Section	Undertaking
882	Harris Scarfe Australia Pty Ltd	12/7/12	<i>Fair Trading Act 1987</i>		Will refrain from supplying goods or services at price that is higher than the price represented by the trader a which the consumer can acquire those goods and services
883	Styliano HATZIMITOS	15/8/2013	<i>Land Agents Act 1994</i>		Will refrain from conducting business as a land agent whilst not being the holder of a land agents registration.
884	Pure Property Management Pty Ltd	15/8/2013	<i>Land Agents Act 1994</i>		Will refrain from conducting business , or holding out as being registered agent whilst not being the holder of a land agents registration
885	Salerno Builders Pty Ltd	19/9/2012	<i>Building Work Contractors Act 1995</i>		Will refrain from undertaking building work that is not defined as minor domestic building work without a written contract, and without building indemnity insurance.
886	Kamikazee Disposals Pty Ltd	25/10/2012	<i>Second-hand Vehicle Dealers Act 1995</i>		Schedules, Premises, Advertising
887	Iain Brundritt	25/10/2012	<i>Second-hand Vehicle Dealers Act 1995</i>		Schedules, Premises, Advertising
888	Barney Chambers	10/12/2012	<i>Second-hand Vehicle Dealers Act 1995</i>		Will refrain from carrying on business as a second-hand vehicle dealer whilst not being the holder of a second-hand vehicle dealer's licence.
891	Damien DAU (Director of Acquire Students Pty Ltd)	3/1/2013	<i>Australian Consumer Law 2010</i>		Will refrain from making false and misleading representations with respect to the price of goods or services
892	Mr Luke Trimboli	28/02/2013	<i>Building Work Contractors Act 1995</i>		Refrain from engaging in carrying on business as a building work contractor, and entering into a contract for building work
893	Mr Michael Iannicelli	28/02/2013	<i>Building Work Contractors Act 1995</i>		Refrain from engaging in carrying on business as a building work contractor, and entering into a contract for building work

No.	Trader	Date	Act	Section	Undertaking
894	Mr William Shircore	19/3/2013	<i>Building Work Contractors Act 1995</i>		Refrain from engaging in carrying on business as a building work contractor, and entering into a contract for building work
895	Mr Brian Aherne	27/3/2013	<i>Second-hand vehicle dealer Act 1995</i>		Refrain from carrying on business as a second-hand vehicle dealer whilst not being the holder of a second had vehicle dealer's licence.
896	Mr Anthony Jones	7/5/2013	<i>Building Work Contractors Act 1995</i>		Refrain from engaging in carrying on business as a building work contractor, and entering into a contract for building work
897	Giannitto Pty Ltd	23/5/2013	<i>Australian Consumer Law 2010</i>		The company will ensure all entities that enter into all future contracts/lay-by agreements with the company that those contracts/lay-by agreements will comply with the requirements of s189 (3)(a) and (b) of the ACL.
898	Mahmoud EL-SAYED	14/6/2013	<i>Second-hand vehicle dealer Act 1995</i>		Unlicensed vehicle dealers.

Court Actions

Name	Act	Section	Allegations	Outcome
Vassillios Psarros	<i>Plumbers, Gas Fitters and Electricians Act 1995</i>	13(a)	Acting as an electrical worker whilst not authorised by registration	Fined \$1,000
Ali Faraj aka Kamel Kassem	<i>Building Work Contractors Act 1995</i>	6(1)(a) 28(1)(a) 30 34	Carrying on business as a building work contractor whilst unlicensed Failing to fulfil formal requirements in relation to domestic building work contracts Demanding or requiring payments under a domestic building work contract to which he was not entitled Performing building work without a policy of insurance	Fined \$57,000 Compensation ordered \$60,000
Garden Makeovers Pty Ltd and John Hunter	<i>Building Work Contractors Act 1995</i>	6(1)(a)	Carrying on business as a building work contractor whilst unlicensed	Company fined \$8,000 Mr Hunter fined \$4,000
Darren Scott Shanahan	<i>Building Work Contractors Act 1995</i> <i>Plumbers, Gas Fitters and Electricians Act 1995</i>	6(1)(a) 6(1)(a)	Carrying on business as a building work contractor whilst unlicensed Advertising as entitled to carry on business whilst not licensed	Fined \$12,000
Brian Clery aka Leary, Cleary & Bryan Murphy	<i>Building Work Contractors Act 1995</i>	6(1)(a)	Carry on business as a building work contractor whilst unlicensed	Fined \$8,000

Appendix 16 Financial Reports

Residential Tenancies Fund

Auditor's Report

Second-hand Vehicles Compensation Fund

Auditor's Report

Agents Indemnity Fund

Auditor's Report

RESIDENTIAL TENANCIES FUND

Annual Financial Statements

**For the year ended 30 June 2013
As at 30 June 2013**

RESIDENTIAL TENANCIES FUND
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 30 June 2013

	Note No.	2013 \$'000	2012 \$'000
Income			
Interest revenue	4	7,213	8,275
Other income	5	513	423
Total income		7,726	8,698
Expenses			
Employee benefits expenses	6	3,884	3,873
Accommodation		777	759
Depreciation	7	16	4
Other expenses	8	1,696	1,123
Total expenses		6,373	5,759
Net result		1,353	2,939
Other Comprehensive Income			
Market value movement of investments		5,786	(696)
Changes in property, plant and equipment revaluation reserve		-	56
Total comprehensive result		7,139	2,299

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

RESIDENTIAL TENANCIES FUND
STATEMENT OF FINANCIAL POSITION
As at 30 June 2013

	Note No.	2013 \$'000	2012 \$'000
Current assets			
Cash and cash equivalents	9	9,013	14,847
Investments		73,103	65,466
Receivables	10	1,945	2,300
Total current assets		84,061	82,613
Non-current assets			
Plant and equipment	11	49	65
Investments		94,452	77,666
Total non-current assets		94,501	77,731
Total assets		178,562	160,344
Current liabilities			
Security bonds lodged	12	71,423	65,122
Payables	13	969	1,770
Total current liabilities		72,392	66,892
Non-current liabilities			
Security bonds lodged	12	86,325	80,704
Total non-current liabilities		86,325	80,704
Total liabilities		158,717	147,596
Net assets		19,845	12,748
Equity			
Investments market value reserve		2,795	(2,991)
Asset revaluation surplus		56	56
Retained earnings		16,994	15,683
Total equity		19,845	12,748
Unrecognised contractual commitments	15		
Contingent assets and liabilities	15		

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

RESIDENTIAL TENANCIES FUND
STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2013

	Note No.	Investment Market Value Reserve	Asset revaluation surplus	Retained earnings	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2011		(2,295)	-	12,808	10,513
Prior period adjustments to equity	2(o)	-	-	(41)	(41)
Restated Balance at 30 June 2011		(2,295)	-	12,767	10,472
Net result for 2011-12		-	-	2,939	2,939
Losses taken to equity		(696)	-	-	(696)
Changes in property, plant and equipment asset revaluation reserve		-	56	-	56
Total comprehensive result 2011-12		(696)	56	2,939	2,299
Balance at 30 June 2012		(2,991)	56	15,706	12,771
Prior period adjustments to equity	2(o)	-	-	(23)	(23)
Restated Balance at 30 June 2012		(2,991)	56	15,683	12,748
Net result for 2012-13		-	-	1,353	1,353
Gains taken to equity		5,786	-	-	5,786
Total comprehensive result 2012-13		5,786	-	1,353	7,139
Balance as at 30 June 2013		2,795	56	17,036	19,887
Other adjustments to equity	2(o)	-	-	(42)	(42)
Restated Balance as at 30 June 2013		2,795	56	16,994	19,845

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

RESIDENTIAL TENANCIES FUND
STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2013

	Note No.	2013 Inflows (Outflows) \$'000	2012 Inflows (Outflows) \$'000
Cash flows from operating activities			
Cash inflows			
Bond lodgements		83,344	81,632
Bond guarantee receipts		6,901	5,354
Interest received		1,368	1,698
Other receipts		59	32
Cash generated from operations		91,672	88,716
Cash outflows			
Bond refunds		(71,420)	(65,107)
Bond guarantee payments		(6,901)	(5,354)
Employee benefit payment		(4,652)	(3,873)
Accommodation payments		(822)	(759)
Other payments		(1,711)	(2,299)
Cash used in operations		(85,506)	(77,392)
Net cash provided by operating activities	14	6,166	11,324
Cash flows from investing activities			
Cash outflows			
Purchases for investments		(12,000)	(13)
Cash used in investing activities		(12,000)	(13)
Net cash used in investing activities		(12,000)	(13)
Net (decrease) increase in cash and cash equivalents		(5,834)	11,311
Cash and cash equivalents at the beginning of the financial year		14,847	3,536
Cash and cash equivalents at the end of the financial year	9	9,013	14,847

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

RESIDENTIAL TENANCIES FUND

NOTES TO THE ACCOUNTS

Note 1. Objectives of the Residential Tenancies Fund

The Residential Tenancies Fund (the Fund) is established under the *Residential Tenancies Act 1995* (the Act). The Fund is kept and administered by the Commissioner for Consumer Affairs. The Fund consists of amounts received by the Commissioner by way of security bonds and other amounts paid into the Fund under the Act. The Commissioner will make repayments in respect of security bonds from the Fund. Income derived from investment of the Fund is applied towards the costs of administering the Fund and enforcing the Act, education of landlords and tenants about their statutory and contractual rights and obligations, and operations of the Residential Tenancies Tribunal.

The Fund's main source of income is from interest derived from the investment of Fund assets in accordance with subsection 70(4) of the Act. Fund assets mainly represent the investment of security bonds received in accordance with subsection 62 of the Act.

Note 2. Summary of Significant Accounting Policies

a) Statement of Compliance

The financial statements are General Purpose Financial Statements which have been prepared in accordance with applicable Australian Accounting Standards and Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Fund for the reporting period ending 30 June 2013. Refer to Note 3.

b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgment in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgment or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies that are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in this financial report:

RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

- a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature. A threshold of \$100 000 for separate identification of these items applies. These are outlined in Note 19;
- b) board/committee member and remuneration information where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The Fund's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the applicable valuation policy.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month operating cycle and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2013 and the comparative information presented.

c) Reporting Entity

The Fund is established under the Act. The financial statements are required by Section 102 (1) of the Act and include income, expenses, assets and liabilities which the Commissioner for Consumer Affairs administers on behalf of the SA Government.

d) Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements has been amended, comparative amounts have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

f) Taxation

The Fund is not subject to income tax. The Fund is liable for payroll tax, fringe benefits tax and goods and services tax (GST). GST collections and payments are carried out by the Attorney General's Department (AGD) on behalf of the Fund. GST in relation to the fund is reported in the AGD Controlled Financial Statements.

RESIDENTIAL TENANCIES FUND

NOTES TO THE ACCOUNTS

g) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Fund will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Interest revenue

Interest includes interest earned on the Funds accounts held with the Department of Treasury and Finance and the Public Trustee.

Housing SA pays interest at an agreed market determined rate to the Fund based on the daily balance of bond guarantees held.

Net gain on non-current assets

Income from the disposal of non-current assets is recognised when the control of the asset has passed to the buyer and determined by comparing proceeds with carrying amount. When revalued assets are sold, the revaluation increments are transferred to retained earnings.

h) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Fund will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Employee benefits expenses

Employee benefit expenses include all costs related to employment including wages and salaries, non-monetary benefits and leave entitlements. They are recouped from the Fund by the Attorney-General's Department who assign staff to support the Commissioner in the administration of the Fund. Employee benefit expenses are recognised when incurred.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by the Fund to the superannuation plan in respect of current services of current departmental staff. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole of government financial statements.

Accommodation

Accommodation expenses include the cost to lease office space to accommodate staff to administer the Fund. These costs are recouped from the Fund by the Attorney-General's Department.

RESIDENTIAL TENANCIES FUND

NOTES TO THE ACCOUNTS

Depreciation

All non-current assets, having a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. Depreciation is applied to tangible assets such as property, plant and equipment.

Assets' residual values and useful lives are reviewed and adjusted if appropriate, on an annual basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in the accounting estimate.

The value of leasehold improvements is amortised over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

Depreciation is calculated on a straight line basis over the estimated useful life of the following classes of assets as follows:

	Useful life (Years)
Leasehold improvements	life of lease
Plant and equipment	1-16
Information technology	3-12

i) Current and Non-Current Classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within twelve months and more than twelve months, the Fund has separately disclosed the amounts expected to be recovered or settled after more than twelve months.

j) Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position includes deposits at call with the Treasurer.

For the purposes of the Statement of Cash Flows, cash consists of cash and cash equivalents as defined above.

Cash is measured at nominal value.

RESIDENTIAL TENANCIES FUND

NOTES TO THE ACCOUNTS

Receivables

Receivables include amounts receivable from interest accruals and other receivables

Other financial assets

Investments represent funds deposited with the Public Trustee. These investments have been designated as available for sale financial assets as they are held with the intention to dispose of the asset if required to ensure sufficient cash flow to meet bond repayments. Investments are made by way of notional unit holdings in a selection of common funds managed by the Public Trustee. The proportion of unit holdings is dependent upon the investment strategy adopted.

As at 30 June 2013 the Fund held investments in common funds in the following proportions:

Capital Stable	26.16%
Balanced	30.22%
Cash Common Fund	43.63%

Investments are measured at fair value in accordance with unit prices at balance date as advised by the applicable fund manager.

Investments are classified as either current or non-current. Those to be rolled over within 12 months are classified as current investments.

Due to the classification of investments as available for sale, revaluation increments or decrements are recognised in the investment market value reserve.

Non-Current Asset Acquisition and Recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measure at fair value less accumulated depreciation. Where assets are acquired at no value or minimal value they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal cost as part of a restructuring of administrative arrangements then the assets are recorded at book value i.e. the amount recorded by the transferor Public Authority prior to restructure.

The Fund capitalises all non-current physical assets with a value of \$10,000 or greater. Items with an acquisition cost less than \$10,000 are expensed in the year of acquisition.

Revaluation of Non-Current Assets

All non-current tangible assets are valued at written down current cost (a proxy for fair value); and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years.

Every three years, the Fund revalues its leasehold improvements, furniture, and specialised plant and equipment. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value then the asset will be revalued regardless of when the last valuation took place. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value.

RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

Any revaluation increment is credited to the asset revaluation surplus, except to the extent that it reverses a revaluation decrease of the same asset class previously recognised as an expense, in which case the increase is recognised as income. Any revaluation decrease is recognised as an expense, except to the extent that it offsets a previous revaluation increase for the same asset class, in which case the decrease is debited directly to the asset revaluation surplus to the extent of the credit balance existing in revaluations reserve for that asset class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

Impairment

All non-current tangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets an impairment loss is offset against the asset revaluation surplus.

k) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Payables

Payables include creditors and accrued expenses.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Fund.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employee Benefits

Employees of the Attorney-General's Department are assigned to support the Commissioner in the administration of the Fund.

No liability for employee benefits (provision for annual leave and long service leave) has been recognised as this liability rests with the Attorney-General's Department.

The value of employee benefit expenses reflected in Note 6 includes remuneration paid to members of the Residential Tenancies Tribunal.

RESIDENTIAL TENANCIES FUND

NOTES TO THE ACCOUNTS

Security Bonds Lodged

Security Bonds are received to ensure a tenant on cessation of residential and parks leases comply with all statutory requirements compliance under the act. Bonds lodged are recognised as a liability on receipt.

Under the Bond Guarantee Scheme a guarantee for the bond is given to the landlord by Housing SA. In the event of a claim by a landlord, a payment is made by the Fund. Housing SA then reimburses the Fund. The value of bond guarantees lodged at 30 June 2013 is \$38.3 million (\$33.2 million).

l) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

m) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provides information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

o) Statement of Changes in Equity - error corrections

Due to the incorrect accounting treatment of bonds payable in 2011 and 2012, equity was overstated by \$41,000 in 2011 and by \$1,000 in 2012. Corresponding adjustments were made to the statement of changes in equity in 2011 and 2012 to eliminate the overstatements respectively. The effect of the equity corrections on bonds payable as at 30/6/2013 is nil.

3. New and revised accounting standards and policies

The fund did not voluntarily change any of its accounting policies during 2012-13.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted for the period ending 30 June 2013. An assessment has been undertaken of the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Fund.

**RESIDENTIAL TENANCIES FUND
NOTES TO THE ACCOUNTS**

4. Interest revenue		
	2013	2012
	\$'000	\$'000
Interest on deposits with the Dept of Treasury and Finance	205	398
Interest on deposits with Housing SA	1,130	1,283
Interest on Investments held with Public Trustee	5,878	6,594
Total interest revenue	7,213	8,275

5. Other income		
	2013	2012
	\$'000	\$'000
Management fee recovery	443	385
Sundry recovery	70	38
Total other income	513	423

6. Employee benefits expenses		
	2013	2012
	\$'000	\$'000
Salaries and wages	3,283	3,237
Employee on-costs - payroll tax and superannuation	526	528
Other	75	108
Total employee benefits expenses	3,884	3,873

7. Depreciation		
	2013	2012
	\$'000	\$'000
Leasehold improvements	11	-
Plant and equipment	5	4
Total depreciation	16	4

8. Other expenses		
	2013	2012
	\$'000	\$'000
Administration (incl. audit fees)	1,358	890
Information and communications technology	208	139
Legal fees	117	78
Travel	5	7
Other	8	9
Total other expenses	1,696	1,123

9. Cash and cash equivalents		
	2013	2012
	\$'000	\$'000
Deposits with Treasurer	9,013	14,847
Total cash and cash equivalents	9,013	14,847

Interest rate risk

Deposits at call with the Treasurer earn a floating interest rate, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

10. Receivables		
	2013	2012
	\$'000	\$'000
Accrued interest	1,945	2,294
Other	-	6
Total receivables	1,945	2,300

- a) Maturity analysis of receivables - Refer to table in note 18
b) Categorisation of financial instruments and risk exposure information - Refer to note 18

11A. Plant and equipment		
	2013	2012
	\$'000	\$'000
Leasehold improvements		
Leasehold improvements at fair value	373	373
Accumulated amortisation	(328)	(317)
Total leasehold improvements	45	56
Plant and equipment (1)		
Plant and equipment at fair value	129	129
Accumulated depreciation	(125)	(120)
Total Plant and equipment	4	9

**RESIDENTIAL TENANCIES FUND
NOTES TO THE ACCOUNTS**

Information technology		
Information technology at fair value	293	293
Accumulated depreciation	(293)	(293)
Total information technology	-	-
Total property, plant and equipment	<u>49</u>	<u>65</u>

(1) There were no indications of impairment of plant and equipment at 30 June 2013

11B. Plant and equipment movement schedule

	Leasehold Improvements	Information Technology	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount 1 July 2012	56	-	9	65
Depreciation	(11)	-	(5)	(16)
Carrying amount 30 June 2013	<u>45</u>	<u>-</u>	<u>4</u>	<u>49</u>

	Leasehold Improvements	Information Technology	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount 1 July 2011	-	-	13	13
Depreciation	-	-	(4)	(4)
Revaluation	56	-	-	56
Carrying amount 30 June 2012	<u>56</u>	<u>-</u>	<u>9</u>	<u>65</u>

12. Security bonds lodged

	2013 \$'000	2012 \$'000
Current		
Bonds lodged	71,408	65,107
Sale of goods	12	12
Rent held pursuant to Tribunal direction	3	3
Total current security bonds lodged	<u>71,423</u>	<u>65,122</u>

	2013 \$'000	2012 \$'000
Non Current		
Bonds lodged	86,325	80,704
Total non-current security bonds lodged	<u>86,325</u>	<u>80,704</u>

13. Payables

	2013 \$'000	2012 \$'000
Creditors	951	1,715
Accrued Expenses	18	55
Total payables	<u>969</u>	<u>1,770</u>

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

- a) Maturity analysis of payables - Refer to table in note 18
b) Categorisation of financial instruments and risk exposure information - Refer to note 18

14. Cash flow reconciliation

	2013 \$'000	2012 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period:		
Balance as per the Statement of Cash Flows	9,013	14,847
Cash and cash equivalents disclosed in the Statement of Financial Position	9,013	14,847
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by (used in) operating activities	6,166	11,324
Add/less non cash items		
Depreciation expense of non current assets	(16)	(4)
Increments/decrements on revaluation of non current assets	-	56
Equity movements	42	1
Movement in assets and liabilities		
Increase / (decrease) in receivables	(355)	(904)
Increase / (decrease) in investments	6,640	7,864
Decrease in payables	800	1,172
(Increase) in security bonds	(11,924)	(16,570)
Net result	<u>1,353</u>	<u>2,939</u>

RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

15. Unrecognised contractual commitments and contingent assets and liabilities

The Fund has no commitments contracted for at the reporting date but not recognised as liabilities.

The Fund is not aware of any contingent assets.

Under the *Residential Tenancies Act 1995*, interest is paid to tenants when a bond is repaid to them and interest is not paid when a bond is paid to landlords or third parties such as the SA Housing Trust. The interest payable to tenants has not been recorded as a liability as the Fund does not have a present obligation until the tenant lodges a claim for the repayment of the bond. It is estimated that the interest liability as at 30 June 2013 is \$113,000 (2012 - \$118,000).

16. Auditor's Remuneration

	2013 \$'000	2012 \$'000
Audit Fees paid/payable to the Auditor-General's Department relating to the audit of the financial statements	26 ⁽¹⁾	54 ⁽²⁾
Total auditor's remuneration	26	54

(1) 2012/13 amount includes audit fee for 2013 of \$18,000 and audit fee accrual for 2012 was understated by \$7,500.

(2) 2011/12 amount includes audit fees payable for 2009-2010, 2010-2011 and 2011-2012.

Other Services

No other services were provided by the Auditor-General's Department.

17. Remuneration of Board and Committee members

Members that were entitled to receive remuneration for membership during the 2012-13 financial year were

Residential Tenancies Tribunal

M S Alvino
H J Anderson
S W Andrew
P V Carey
P J Duffy
J S Dunstone
I W Garnham (Apt: 12/01/13)
S Georgiadis
K M Hannon (Exp: 22/02/13)
B E Johns
P K Mickan
T M Rymill
G N Twohig
R T Vincent

The number of members whose remuneration received or receivable falls within the following bands:

	2013	2012
\$0 - \$9 999	2	2
\$20 000 - \$29 999	1	-
\$30 000 - \$39 999	1	-
\$40 000 - \$49 999	-	1
\$50 000 - \$59 999	1	1
\$60 000 - \$69 999	3	-
\$70 000 - \$79 999	1	2
\$80 000 - \$89 999	1	2
\$110 000 - \$119 999	1	2
\$120 000 - \$129 999	1	1
\$130 000 - \$139 999	-	1
\$180 000 - \$189 999	1	-
\$210 000 - \$219 999	1	-
\$230 000 - \$239 999	-	1
Total number of members	14	13

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, fringe benefits tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was \$1.01 million (\$1.15 million).

Amounts paid to a superannuation plan for board/committee members was \$116,000 (\$137,000).

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

18. Financial Instruments

a. Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 2 Summary of Significant Accounting Policies.

Financial Assets

Cash and Receivables are recorded at carrying amount which approximates net fair value.

Investments represent funds held by the Public Trustee. The Public Trustee has invested in collective investment vehicles for the purpose of gaining exposure to Australian and international equities. The managers of such vehicles have invested in a variety of financial instruments, including derivatives, which expose the Fund to investment risks, including market, credit, interest and currency risk. These investments are valued by the Public Trustee at reporting date and recognised at fair value.

Financial Liabilities

Payables are recorded at carrying amount which approximates fair value. Security bonds are held on behalf of third parties. The carrying amount of all security bonds is considered to be a reasonable estimate of net fair value.

b. Credit Risk

At reporting date funds totalling \$167.6 million were invested with the Public Trustee. Pooled investment funds are not rated for credit risk. The Public Trustee considers the credit risk of individual fund managers prior to investing funds and reviews these assessments quarterly.

Other than pooled investments, the Fund has no significant concentration of credit risk. The Fund has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

Allowances for impairment of financial assets are calculated on past experiences and expected changes in client credit rating. Currently the Fund does not hold any collateral as security for any of its financial assets.

c. Ageing analysis of financial assets

There are no Financial Assets administered by the Fund past due.

d. Maturity analysis of financial assets & financial liabilities

The following table discloses the maturity analysis of financial assets and financial liabilities.

	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
2013				
Financial assets				
Cash & cash equivalents	9,013	9,013	-	-
Investments	167,555	73,103	94,452	-
Receivables (1)	1,945	1,945	-	-
Other financial assets	-	-	-	-
Total Financial assets	178,513	84,061	94,452	-
Financial liabilities				
Payables (1)	951	951	-	-
Other financial liabilities	157,748	71,423	86,325	-
Total Financial liabilities	158,699	72,374	86,325	-
	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
2012				
Financial assets				
Cash & cash equivalents	14,847	14,847	-	-
Investments	143,132	65,466	77,666	-
Receivables (1)	2,300	2,300	-	-
Other financial assets	-	-	-	-
Total Financial assets	160,279	82,613	77,666	-
Financial liabilities				
Payables (1)	1,715	1,715	-	-
Other financial liabilities	145,826	65,122	80,704	-
Total Financial liabilities	147,541	66,837	80,704	-

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables.

**RESIDENTIAL TENANCIES FUND
NOTES TO THE ACCOUNTS**

e. Liquidity Risk

Financial liabilities principally represent security bonds held on behalf of third parties. Security bonds are payable on receipt of an application from the tenant or lessee. All cash balances and Cash Common Funds held with the Public Trustee are available at call.

f. Market Risk

The Fund is exposed to price risk. Price risk represents the risk that the fair value of investments held with the Public Trustee will fluctuate due to changes in the market price for the underlying asset.

Investments held with the Public Trustee are classified as 'available for sale' financial assets. Net gains or losses resulting from movements in the fair value of investments are recognised directly in equity. Accordingly there is no impact on the net result.

Cash is also subject to interest rate risk.

g. Sensitivity Disclosure Analysis

The impact of a 1% movement in interest rates and a 1% movement in equity indexes on financial assets is shown in the following table.

	Carrying Amount (\$'000)	Interest Rate Risk		Price Risk	
		-1% Net Result (\$'000)	1% Net Result (\$'000)	-1% Equity (\$'000)	1% Equity (\$'000)
2013					
Financial Assets					
Cash and Cash Equivalents	9,013	(90)	90	-	-
Investments	167,555	-	-	(1,676)	1,676
Total increase/(decrease)		(90)	90	(1,676)	1,676
2012					
Financial Assets					
Cash and Cash Equivalents	14,847	(148)	148	-	-
Investments	143,132	-	-	(1,431)	1,431
Total increase/(decrease)		(148)	148	(1,431)	1,431

19. Transactions with SA Government

As required by APS 4.1 of Accounting Policy Framework II General Purpose Financial Reporting Framework, the following table discloses income, expenses and financial assets where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. A threshold of \$100,000 for separate identification of these items has been applied.

	2013 \$'000	2012 \$'000
Income		
Interest revenue	7,213	8,275
Other Income	454	391
Total income	7,667	8,666
Expenses		
Employee benefits expenses	3,884	3,873
Accommodation	777	759
Other expenses	1,696	1,123
Total expenses	6,357	5,755
Financial assets		
Cash and cash equivalents	9,013	14,847
Receivables	1,945	2,300
Investments	167,555	143,132
Total financial assets	178,513	160,279
Financial liabilities		
Payables	969	1,770
Total financial liabilities	969	1,770

20. Events after reporting period

There are no known events after balance date that affect these financial statements.

STATEMENT BY EXECUTIVE

We certify that the attached General Purpose Financial Statements for the Residential Tenancies Fund:

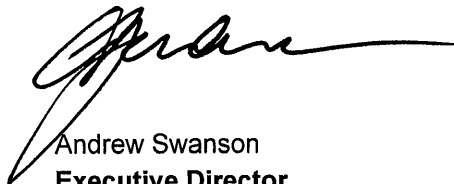
- comply with relevant Treasurer's Instructions issued under section 41 of the Public Finance and Audit Act 1987, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Fund; and
- present a true and fair view of the financial position of the Residential Tenancies Fund as at 30 June 2013 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Fund for the financial year over its financial reporting and its preparation of the General Purpose Financial Statements have been effective throughout the reporting period.



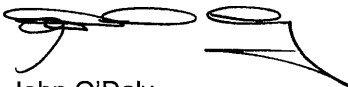
Paul White
Commissioner for Consumer Affairs

Date: 31-10-13



Andrew Swanson
**Executive Director
Finance and Business Services
Attorney-General's Department**

Date: 31-10-13



John O'Daly
**General Manager, Business Services
Consumer and Business Services**

Date: 31-10-13



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**To the Commissioner for Consumer Affairs
Consumer Business Services, Attorney-General's Department**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 102(2) of the *Residential Tenancies Act 1995*, I have audited the accompanying financial report of the Residential Tenancies Fund for the financial year ended 30 June 2013. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2013
- a Statement of Financial Position as at 30 June 2013
- a Statement of Changes in Equity for the year ended 30 June 2013
- a Statement of Cash Flows for the year ended 30 June 2013
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Commissioner for Consumer Affairs, the Executive Director, Finance and Business Services and the General Manager, Business Services.

The Commissioner for Consumer Affairs' Responsibility for the Financial Report

The Commissioner for Consumer Affairs is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the Commissioner for Consumer Affairs determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commissioner for Consumer Affairs, as well as 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.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the Residential Tenancies Fund as at 30 June 2013, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

A handwritten signature in black ink, appearing to read 'S O'Neill', with a small mark above the 'i'.

S O'Neill
AUDITOR-GENERAL
4 November 2013

SECOND HAND VEHICLES COMPENSATION FUND

Annual Financial Statements

**For the year ended 30 June 2013
As at 30 June 2013**

SECOND HAND VEHICLES COMPENSATION FUND STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2013

	Note No.	2013 \$'000	2012 \$'000
Income			
Contribution by licensees		307	311
Interest revenues		190	237
Other income	4	10	8
Total income		507	556
Expenses			
Administration	5	360	132
Claims	6	23	42
Other expenses	7	6	6
Total expenses		389	180
Net result		118	376
Other Comprehensive Income			
<i>Items that will not be reclassified to net result</i>			
Market value movement of investments		128	(17)
Total other comprehensive income		128	(17)
Total comprehensive result		246	359

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

SECOND HAND VEHICLES COMPENSATION FUND STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

	Note No.	2013 \$'000	2012 \$'000
Current assets			
Cash and cash equivalents	8	2,484	2,494
Investments		1,764	1,632
Receivables	9	57	48
Total current assets		4,305	4,174
Non-current assets			
Investments		1,489	1,361
Total non-current assets		1,489	1,361
Total assets		5,794	5,535
Current liabilities			
Payables	10	18	5
Total current liabilities		18	5
Total liabilities		18	5
Net Assets		5,776	5,530
Equity			
Retained earnings		5,765	5,647
Investments market value reserve		11	(117)
Total Equity		5,776	5,530

Contingent assets and liabilities 11
Unrecognised contractual commitments 11

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

SECOND HAND VEHICLES COMPENSATION FUND STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2013

	Note No.	Investments market value reserve \$'000	Retained earnings \$'000	Total \$'000
Balance as at 30 June 2011		(100)	5,271	5,171
Net result for 2011-12		-	376	376
Losses taken to equity		(17)	-	(17)
Total comprehensive result for 2011-12		(17)	376	359
Balance at 30 June 2012		(117)	5,647	5,530
Net result for 2012-13		-	118	118
Gains taken to equity		128	-	128
Total comprehensive result for 2012-13		128	118	246
Balance at 30 June 2013		11	5,765	5,776

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

SECOND HAND VEHICLES COMPENSATION FUND STATEMENT OF CASH FLOWS

For the year ended 30 June 2013

	Note No.	2013 Inflows (Outflows) \$'000	2012 Inflows (Outflows) \$'000
Cash flows from operating activities			
Cash inflows			
Contribution by licensees		307	311
Interest received		79	104
Other receipts		2	-
Cash generated from operations		388	415
Cash outflows			
Administration		(382)	(132)
Claims		(11)	(42)
Other payments		(5)	(6)
Cash used in operations		(398)	(180)
Net cash provided by/(used in) operating activities	12	(10)	235
Net increase/(decrease) in cash and cash equivalents		(10)	235
Cash and cash equivalents at the beginning of the period		2,494	2,259
Cash and cash equivalents at the end of the period	8	2,484	2,494

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

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

Note 1. Objectives of the Second Hand Vehicles Compensation Fund

The Second Hand Vehicles Compensation Fund (the Fund) is regulated by the *Second-hand Vehicle Dealers Act 1995* (the Act). The Fund is kept and administered by the Commissioner for Consumer Affairs. It exists to provide compensation for persons who have a valid unsatisfied claim against a second hand motor vehicle dealer in relation to the purchase, sale or consignment of a second hand vehicle. The claim is heard by the Magistrates Court and an order for compensation will only be made if there is no reasonable prospect of recovering the amount of the claim other than from the Fund.

The Fund's main source of income is contributions received from second hand vehicle dealers in accordance with Schedule 3 of the Act. The Fund also receives interest derived from the investment of Fund assets.

Note 2. Summary of Significant Accounting Policies

a) Statement of Compliance

The financial statements are General Purpose Financial Statements which have been prepared in accordance with applicable Australian Accounting Standards and Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

Australian Accounting Standards and interpretations that have been recently issued or amended but are not yet effective have not been adopted by the Fund for the reporting period ending 30 June 2013. These are outlined in Note 3.

b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- that accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosure, which has been included in this financial report:
- revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature. A threshold of \$100 000 for separate identification of these items applies. These are outlined in Note 15.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

The Fund's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the applicable valuation policy.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month operating cycle and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2013 and the comparative information presented.

c) Reporting Entity

The Fund is regulated by the Act and is administered by the Commissioner for Consumer Affairs. The financial statements are required by Schedule 3 of the Act and include income, expenses, assets and liabilities which the Commissioner administers on behalf of the SA Government.

d) Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements has been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

f) Taxation

The Fund is not subject to income tax. The Fund is liable for payroll tax, fringe benefits tax and goods and services tax (GST). GST collections and payments are carried out by the Attorney-General's Department (AGD) on behalf of the Fund. GST in relation to the Fund is reported in the AGD Controlled Financial Statements.

g) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Fund will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

Contribution by licensees

Contribution by licensees income is recognised when received from second hand vehicle dealers.

Interest revenue

Interest includes interest earned on the Funds accounts held with the Department of Treasury and Finance and the Public Trustee.

h) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Fund will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Administration

During the year resources from the Attorney-General's Department are made available to support the operations and administration of the Fund. The estimated annual costs of these resources are paid to AGD as administration expenses.

i) Current and Non-current Classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

j) Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Where an asset line item combines amounts expected to be settled within twelve months and more than twelve months, the Department has separately disclosed the amounts expected to be recovered after more than twelve months.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position includes deposits at call with the Treasurer.

For the purposes of the Statement of Cash Flows, cash consists of cash and cash equivalents as defined above.

Cash is measured at nominal value.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

Receivables

Receivables include amounts receivable from interest accruals and the Attorney-General's Department.

Other financial assets

Investments represent funds deposited with the Public Trustee. These investments have been designated as available for sale financial assets as they are held with the intention to dispose of the asset if required to ensure sufficient cash flow to meet claims on the Fund. Investments are made by way of notional unit holdings in a selection of common funds managed by the Public Trustee. The proportion of unit holdings is dependent upon the investment strategy adopted.

As at 30 June 2013 the Fund held investments in common funds in the following proportions:

Balanced	45.78%
Cash Common Fund	54.22%

Investments are measured at fair value in accordance with unit prices at balance date as advised by the applicable fund manager.

Investments are classified as either current or non-current. Those to be rolled over within 12 months are classified as current investments.

Due to the classification of investments as available for sale, revaluation increments or decrements are recognised in the investment market value reserve.

k) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Payables

Payables include creditors and accrued expenses.

Creditors represent the amounts owing for claims authorised to be paid out of the Fund prior to the end of the reporting period that are unpaid at the end of the reporting period.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

l) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

m) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

3. New and revised accounting standards and policies

The fund did not voluntarily change any of its accounting policies during 2012-13.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted for the period ending 30 June 2013. An assessment has been undertaken of the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Fund.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

4. Other income

	2013	2012
	\$'000	\$'000
Management fee recovery	9	8
Sundry recovery	1	-
Total other income	10	8

5. Administration

	2013	2012
	\$'000	\$'000
Administration expenses	360	132
Total administration expenses	360	132

Includes reimbursements paid to the Attorney-General's Department for the cost of administering Schedule 3 of the Act

6. Claims

Claim expenses of \$23,000 (\$42,000) to settle valid unsatisfied claims against 3 (2) second hand vehicle dealer(s).

7. Other Expenses

	2013	2012
	\$'000	\$'000
Other (incl. audit fees)	6	6
Total other expenses	6	6

8. Cash and cash equivalents

	2013	2012
	\$'000	\$'000
Deposits with the Treasurer	2,484	2,494
Total cash and cash equivalents	2,484	2,494

Interest rate risk

Deposits at call with the Treasurer earn a floating interest rate, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

9. Receivables

	2013	2012
	\$'000	\$'000
Accrued interest	36	48
Other	21	-
Total receivables	57	48

a) Maturity analysis of receivables - Refer to table in note 14.

b) Categorisation of financial instruments and risk exposure information - Refer to note 14.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

10. Payables

	2013	2012
	\$'000	\$'000
Creditors	13	-
Accrued Expenses	5	5
Total payables	18	5

Interest rate and credit risk

Accruals are raised for all amounts billed but unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

- a) Maturity analysis of payables - Refer to the table in Note 14
 b) Categorisation of financial instruments and risk exposure information - Refer to Note 14

11. Unrecognised contractual commitments and contingent assets and liabilities

The Fund has no commitments contracted for at the reporting date but not recognised as liabilities.

The Fund has no contingent liabilities or assets.

12. Cash flow reconciliation

	2013	2012
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period:		
Cash and cash equivalents disclosed in the Statement of Financial Position	2,484	2,494
Balance as per the Statement of Cash Flows	2,484	2494
Reconciliation of net cash provided by operating activities to net result:		
Net cash provided by (used in) operating activities	(10)	235
Movement in assets and liabilities		
Increase / (decrease) in receivables	9	(35)
Increase / (decrease) in current investments	132	176
(Increase) / decrease in payables	(13)	-
Net result	118	376

13. Auditors Remuneration

Audit Fees paid/payable to the Auditor-General's Department relating to the audit of the financial statements is \$5,100 (\$5,900). No other services were provided by the Auditor-General's Department.

R

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

14. Financial Instruments

a. Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 2 Summary of Significant Accounting Policies.

Financial Assets

Cash and Receivables are recorded at carrying amount which approximates net fair value.

Investments represent funds held by the Public Trustee. The Public Trustee has invested in collective investment vehicles for the purpose of gaining exposure to Australian and international equities. The managers of such vehicles have invested in a variety of financial instruments which expose the Fund to investment risks, including market, credit, interest and currency risk. These investments are valued by the Public Trustee at reporting date and recognised at fair value.

Financial Liabilities

Payables are recorded at carrying amount which approximates fair value.

b. Credit Risk

At reporting date funds totalling \$3.25 million were invested with the Public Trustee. Pooled investment funds are not rated for credit risk. The Public Trustee considers the credit risk of individual fund managers prior to investing funds and reviews these assessments quarterly.

Other than pooled investments, the Fund has no significant concentration of credit risk. The Fund has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

Allowances for impairment of financial assets are calculated on past experiences and expected changes in client credit rating. Currently the Fund does not hold any collateral as security for any of its financial assets. There are no Financial Assets administered by the Fund past due.

c. Ageing analysis of financial assets

There are no Financial Assets administered by the Fund past due.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

d. Maturity analysis of financial assets & financial liabilities

The following table discloses the maturity analysis of financial assets and financial liabilities.

	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
2013				
Financial assets				
Cash & cash equivalents	2,484	2,484	-	-
Investments	3,253	1,764	1,489	-
Receivables ⁽¹⁾	57	57	-	-
Other financial assets	-	-	-	-
Total Financial assets	5,794	4,305	1,489	-
Financial liabilities				
Payables ⁽¹⁾	13	13	-	-
Total Financial liabilities	13	13	-	-

	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
2012				
Financial assets				
Cash & cash equivalents	2,494	2,494	-	-
Investments	2,993	1,632	1,361	-
Receivables ⁽¹⁾	48	48	-	-
Other financial assets	-	-	-	-
Total Financial assets	5,535	4,174	1,361	-
Financial liabilities				
Payables ⁽¹⁾	-	-	-	-
Total Financial liabilities	-	-	-	-

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables.

e. Liquidity Risk

All cash balances and Cash Common Funds held with the Public Trustee are available at call.

f. Market Risk

The Fund is exposed to price risk. Price risk represents the risk that the fair value of investments held with the Public Trustee will fluctuate due to changes in the market price for the underlying asset.

Investments held with the Public Trustee are classified as 'available for sale' financial assets. Net gains or losses resulting from movements in the fair value of investments are recognised directly in equity. Accordingly there is no impact on the net result.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

Cash is also subject to interest rate risk.

g. Sensitivity Analysis Disclosure

The impact of a 1% movement in interest rates and a 1% movement in equity indexes on financial assets is shown in the following table.

	Carrying Amount (\$'000)	Interest Rate Risk		Price Risk	
		-1% Net Result (\$'000)	1% Net Result (\$'000)	-1% Equity (\$'000)	1% Equity (\$'000)
2013					
Financial Assets					
Cash and Cash Equivalents	2,484	(25)	25	-	-
Investments	3,253	-	-	(33)	33
Total increase/(decrease)		(25)	25	(33)	33

	Carrying Amount (\$'000)	Interest Rate Risk		Price Risk	
		-1% Net Result (\$'000)	1% Net Result (\$'000)	-1% Equity (\$'000)	1% Equity (\$'000)
2012					
Financial Assets					
Cash and Cash Equivalents	2,494	(25)	25	-	-
Investments	2,993	-	-	(30)	30
Total increase/(decrease)		(25)	25	(30)	30

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

15. Transactions with SA Government

As required by APS 4.1 of Accounting Policy Framework II General Purpose Financial Reporting Framework, the following table discloses income, expenses and financial assets where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. A threshold of \$100,000 for separate identification of these items has been applied.

	SA Government	
	2013	2012
	\$'000	\$'000
Income		
Interest revenue	190	237
Other income	9	8
Total income	<u>199</u>	<u>245</u>
Expenses		
Administration	360	132
Other expenses	5	6
Total expenses	<u>365</u>	<u>138</u>
Assets		
Cash and cash equivalents	2,484	2,494
Investments	3,253	2,993
Receivables	57	48
Total assets	<u>5,794</u>	<u>5,535</u>
Liabilities		
Payables	5	5
Total liabilities	<u>5</u>	<u>5</u>

16. Events after reporting period

On 28 August 2013, the Court authorised a payment out of the Fund for a claim relating to Sylva v AP Wholesale and the Commissioner for Consumer Affairs. The estimated financial impact on the 2013-14 year would be an increase in expenses of approximately \$8,000.

STATEMENT BY EXECUTIVE

We certify that the attached general purpose financial statements for the Second Hand Vehicles Compensation Fund:

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Fund; and
- present a true and fair view of the financial position of the Second Hand Vehicles Compensation Fund as at 30 June 2013 and the results of its operation and cash flows for the financial year.

We certify that the Internal controls employed by the Fund for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



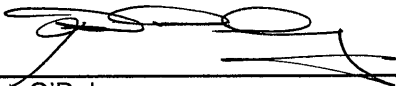
Paul White
Commissioner for Consumer Affairs

Date: 31-10-13



Andrew Swanson
**Executive Director, Finance & Business Services
Attorney-General's Department**

Date: 31-10-13



John O'Daly
**General Manager Business Services
Consumer and Business Services**

Date: 31-10-13





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To the Commissioner for Consumer Affairs

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and clause 6(2) of Schedule 3 to the *Second-hand Vehicle Dealers Act 1995*, I have audited the accompanying financial report of the Second-hand Vehicles Compensation Fund for the financial year ended 30 June 2013. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2013
- a Statement of Financial Position as at 30 June 2013
- a Statement of Changes in Equity for the year ended 30 June 2013
- a Statement of Cash Flows for the year ended 30 June 2013
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Commissioner for Consumer Affairs, the Executive Director, Finance and Business Services and the General Manager, Business Services.

Commissioner for Consumer Affairs' Responsibility for the Financial Report

The Commissioner for Consumer Affairs is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the Commissioner for Consumer Affairs determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commissioner for Consumer Affairs, as well as 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.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the Second-hand Vehicles Compensation Fund as at 30 June 2013, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

A handwritten signature in black ink, appearing to read 'S O'Neill', with a horizontal line extending to the right.

S O'Neill
AUDITOR-GENERAL
4 November 2013

AGENTS INDEMNITY FUND

Annual Financial Statements

For the year ended 30 June 2013

As at 30 June 2013

AGENTS INDEMNITY FUND
STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 June 2013

	Note No.	2013 \$'000	2012 \$'000
Income			
Interest revenues	4	8,622	11,032
Other income	5	134	120
Total income		8,756	11,152
Expenses			
Administration		310	163
Claims	6	115	-
Professional Costs		3	21
Other expenses	7	291	326
Total expenses		719	510
Net result		8,037	10,642
Other Comprehensive Income			
Market value movement of investments		2,079	(275)
Total comprehensive result		10,116	10,367

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

AGENTS INDEMNITY FUND
STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

	Note No.	2013 \$'000	2012 \$'000
Current assets			
Cash and cash equivalents	8	60,484	53,936
Investments		24,529	22,564
Receivables	9	1,347	1,780
Other		-	4
Total current assets		86,360	78,284
Non-current assets			
Investments		24,170	22,092
Total non-current assets		24,170	22,092
Total assets		110,530	100,376
Current liabilities			
Payables	10	85	47
Total current liabilities		85	47
Total liabilities		85	47
Net assets		110,445	100,329
Equity			
Investment market value reserve		1,935	(144)
Retained earnings		108,510	100,473
Total equity		110,445	100,329

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

Unrecognised contractual commitments	12
Contingent assets and liabilities	12

AGENTS INDEMNITY FUND
STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2013

	Note No.	Investment market value reserve \$'000	Retained earnings \$'000	Total \$'000
Balance at 30 June 2011		131	89,915	90,046
Error correction		-	(84)	(84)
Restated balance at 30 June 2011		131	89,831	89,962
Net result for 2011-12		-	10,642	10,642
Losses taken to equity	2 d	(275)	-	(275)
Total comprehensive result for 2011-12		(275)	10,642	10,367
Balance at 30 June 2012		(144)	100,473	100,329
Net result for 2012-13		-	8,037	8,037
Gains taken to equity		2,079	-	2,079
Total comprehensive result for 2012-13		2,079	8,037	10,116
Balance at 30 June 2013		1,935	108,510	110,445

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

AGENTS INDEMNITY FUND
STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2013

	Note No.	2013 Inflows (Outflows) \$'000	2012 Inflows (Outflows) \$'000
Cash flows from operating activities			
Cash inflows			
Interest received		7,222	9,124
Other receipts		4	122
Cash generated from operations		7,226	9,246
Cash outflows			
Administration		(311)	(163)
Claims		(37)	-
Professional Costs		(3)	(21)
Other payments		(327)	(372)
Cash used in operations		(678)	(556)
Net cash provided by operating activities	11	6,548	8,690
Net increase in cash and cash equivalents		6,548	8,690
Cash and cash equivalents at the beginning of the financial year		53,936	45,246
Cash and cash equivalents at the end of the financial year	8	60,484	53,936

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

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

Note 1. Objectives of the Agents Indemnity Fund

The Agents Indemnity Fund (the Fund) is regulated by the *Land Agents Act 1994* and *Conveyancers Act 1994* and is administered by the Commissioner for Consumer Affairs. It exists to provide compensation for persons who have suffered financial loss as a result of fiduciary default of a land agent or conveyancer and who have no reasonable prospect of recovering the full amount of that loss other than from the Fund.

The Fund's main source of income is from interest paid to the Fund from Land Agents and Conveyancers trust accounts. The Fund also receives interest derived from the investment of Fund assets in accordance with subsection 29(2) of the Act.

Note 2. Summary of significant accounting policies

a) Statement of Compliance

The financial statements are General Purpose Financial Statements which have been prepared in accordance with applicable Australian Accounting Standards and Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Fund for the reporting period ending 30 June 2013. These are outlined in Note 3.

b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgment in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgment or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies that are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in this financial report:
- revenues, expenses, financial assets and liabilities where the counter party/transaction is with an entity within the SA Government as at reporting date, classified according to their nature. A threshold of \$100 000 for separate identification of these items applies. These are outlined in Note 15.

The Fund's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the applicable valuation policy. The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month operating cycle and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2013 and the comparative information presented.

c) Reporting Entity

The Fund is regulated by the *Land Agents Act 1994* and *Conveyancers Act 1994* and is administered by the Commissioner for Consumer Affairs. The financial statements are required by Section 41 (1) of the *Land Agents Act 1994* and include income, expenses, assets and liabilities which the Commissioner administers on behalf of the SA Government.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

d) Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements has been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

Where the Fund has applied an accounting policy retrospectively; retrospectively restated items in the financial statements; reclassified items in the financial statements, it has provided three Statements of Financial Positions and related notes.

The restated comparative amounts do not replace the original financial statements for the preceding period.

e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

f) Taxation

The Fund is not subject to income tax. The Fund is liable for payroll tax, fringe benefits tax and goods and services tax (GST). GST collections and payments are carried out by the Attorney-Generals Department (AGD) on behalf of the Fund. GST in relation to the Fund is reported in the AGD Controlled Financial Statements.

g) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Fund will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Interest Revenue

Interest includes interest earned on the Fund's accounts held with the Department of Treasury and Finance and the Public Trustee and interest paid from Agents and Conveyancers trust accounts.

h) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Fund will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Administration

Administration expenses of the Fund include payments made to the Attorney-General's Department under Section 31 (2) (e) of the *Conveyancers Act 1994* and Section 29 (4) (e) of the *Land Agents Act 1994* as reimbursement for administering the Fund. All payments made from the Fund must meet the requirements in Section 31 of the *Conveyancers Act 1994* and Section 29 of the *Land Agents Act 1994*.

Professional Costs

Professional costs of the Fund represent expenses associated with audits of land agent and conveyancers trust accounts.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

Claims

Claim expenses of the Fund represent compensation payments authorised to be made to persons who have suffered financial loss as a result of fiduciary default of a land agent or conveyancer and who have no reasonable prospect of recovering the full amount of that loss other than from the Fund per Section 32 of the *Conveyancers Act 1994* and Section 30 of the *Land Agents Act 1994*.

Other expenses - Consumer and Agent Education

Under Section 31 (2) (f) of the *Conveyancers Act 1994* and Section 29 (4) (f) of the *Land Agents Act 1994* the Commissioner for Consumer Affairs may make payments from the Fund for prescribed education programs. During 2011-12 and 2012-13 payments were made to the Australian Institute of Conveyancers and Real Estate Institute of South Australia for these purposes.

For contributions payable, the contribution will be recognised as a liability and expense when the entity has a present obligation to pay the contribution and expense recognition criteria are met.

All contributions paid by the Fund have been contributions with unconditional stipulations attached.

Contributions can be either for general assistance or a particular purpose and will usually be subject to terms and conditions set out in a contract, correspondence, or by legislation governing the contribution.

i) Current and Non-current Classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within twelve months, the Fund has separately disclosed the amounts expected to be recovered or settled after more than twelve months.

j) Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position includes deposits at call with the Treasurer.

For the purposes of the Statement of Cash Flows, cash consists of cash and cash equivalents as defined above.

Cash is measured at nominal value.

Receivables

Receivables include amounts receivable from interest accruals.

Other financial assets

Investments represent funds deposited with the Public Trustee. These investments have been designated as available for sale financial assets as they are held with the intention to dispose of the asset if required to ensure sufficient cash flow to meet claims on the Fund. Investments are made by way of notional unit holdings in a selection of common funds managed by the Public Trustee. The proportion of unit holdings is dependent upon the investment strategy adopted.

As at 30 June 2013 the Fund held investments in common funds in the following proportions:

Balanced	49.63%
Cash Common Fund	50.37%

NOTES TO THE ACCOUNTS For the year ended 30 June 2013

Investments are classified as either current or non-current. Those to be rolled over within 12 months are classified as current investments.

Due to the classification of investments as available for sale, revaluation increments or decrements are recognised in the investment market value reserve.

k) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Payables

Payables include creditors and accrued expenses.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Fund.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

l) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australia Taxation Office (ATO). If GST is not payable to, or recoverable from the ATO, the commitments and contingencies are disclosed on a gross basis.

m) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

Note 3. New and revised accounting standards and policies

The Fund did not voluntarily change any of its accounting policies during 2012-13. Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Fund for the period ending 30 June 2013. An assessment has been undertaken of the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Fund.

NOTES TO THE ACCOUNTS
For the year ended 30 June 2013

4. Interest revenue

	2013	2012
	\$'000	\$'000
Interest from Agents & Conveyancers Trust Accounts	5,229	6,935
Interest on deposits with the Dept of Treasury and Finance	1,708	2,104
Interest on Investments held with Public Trustee	1,685	1,993
Total interest revenue	<u>8,622</u>	<u>11,032</u>

5. Other income

	2013	2012
	\$'000	\$'000
Management fee recovery	130	120
Sundry recovery	4	-
Total other income	<u>134</u>	<u>120</u>

6. Claims

	2013	2012
	\$'000	\$'000
Agents Indemnity Fund	115	-
Total Claims	<u>115</u>	<u>-</u>

7. Other expenses

	2013	2012
	\$'000	\$'000
Grants/Contributions-Other	236	143
Consumer and Agent Education	38	172
Other (incl.audit fees)	17	11
Total other expenses	<u>291</u>	<u>326</u>

8. Cash and cash equivalents

	2013	2012
	\$'000	\$'000
Deposits with the Treasurer	60,484	53,936
Total cash and cash equivalents	<u>60,484</u>	<u>53,936</u>

Interest rate risk

Deposits at call with the Treasurer earn a floating interest rate, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

9. Receivables

	2013	2012
	\$'000	\$'000
Accrued interest	1,347	1,780
Total receivables	<u>1,347</u>	<u>1,780</u>

- a) Maturity analysis of receivables - Refer to table in note 14
b) Categorisation of financial instruments and risk exposure information - Refer to note 14

ma

NOTES TO THE ACCOUNTS
For the year ended 30 June 2013

10. Payables

	2013	2012
	\$'000	\$'000
Accrued expenses	85	7
Creditors	-	40
Total payables	<u>85</u>	<u>47</u>

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

a) Maturity analysis of payables - Refer to table in note 14

b) Categorisation of financial instruments and risk exposure information - Refer to note 14

11. Cash flow reconciliation

	2013	2012
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Balance as per the Statement of cash flows	60,484	53,936
Cash and cash equivalents disclosed in the Statement of Financial Position	60,484	53,936
Reconciliation of net cash provided by operating activities to net result:		
Net cash provided by (used in) operating activities	6,548	8,690
Movement in assets and liabilities		
Increase/(Decrease) in receivables	(433)	(775)
Increase/Decrease in Investment	1,964	2,683
Increase/(Decrease) in other current assets	(4)	(2)
(Increase)/Decrease in payables	(38)	46
Net result	<u>8,037</u>	<u>10,642</u>

12. Unrecognised contractual commitments and contingent assets and liabilities

The Fund has no commitments contracted for at the reporting date but not recognised as liabilities. The Fund is not aware of any contingent assets or liabilities.

13. Auditors Remuneration

Audit fees paid/payable to the Auditor-General's Department relating to the audit of the Financial statements was \$6,800 (\$7,600). No other services were provided by the Auditor-General.

NOTES TO THE ACCOUNTS

For the year ended 30 June 2013

14. Financial Instruments

a. Categorisation of financial instruments

Financial Assets

Cash and Receivables are recorded at the carrying amount as per the Balance Sheet, which approximates net fair value. Investments represent funds held by the Public Trustee. The Public Trustee has invested in collective investment vehicles for the purpose of gaining exposure to Australian and international equities. The managers of such vehicles have invested in a variety of financial instruments, including derivatives, which expose the Fund to investment risks, including market, credit, interest and currency risk. These investments are valued by the Public Trustee at reporting date and recognised at fair value.

Financial Liabilities

Payables are recorded at carrying amount which approximates fair value.

b. Credit Risk

At reporting date funds totalling \$48.7 million were invested with the Public Trustee. Pooled investment funds are not rated for credit risk. The Public Trustee considers the credit risk of individual fund managers prior to investing funds and reviews these assessments quarterly.

Other than pooled investments, the Fund has no significant concentration of credit risk. The Fund has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

Allowances for impairment of financial assets are calculated on past experiences and expected changes in client credit rating. Currently the Fund does not hold any collateral as security for any of its financial assets.

c. Ageing Analysis

There are no Financial Assets of the Fund past due.

d. Maturity Analysis of financial assets and financial liabilities

The following table discloses the maturity analysis of financial assets and financial liabilities.

	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
2013				
Financial assets				
Cash & cash equivalents	60,484	60,484	-	-
Investments	48,699	24,529	24,170	-
Receivables (1)	1,347	1,347	-	-
Other financial assets	-	-	-	-
Total Financial assets	110,530	86,360	24,170	-
Financial liabilities				
Payables (1)	78	78	-	-
Other financial liabilities	-	-	-	-
Total Financial liabilities	78	78	-	-

2

NOTES TO THE ACCOUNTS
For the year ended 30 June 2013

	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
2012				
Financial assets				
Cash & cash equivalents	53,936	53,936	-	-
Investments	44,656	22,564	22,092	-
Receivables (1)	1,780	1,780	-	-
Other financial assets	-	-	-	-
Total Financial assets	100,372	78,280	22,092	-
Financial liabilities				
Payables (1)	40	40	-	-
Other financial liabilities	-	-	-	-
Total Financial liabilities	40	40	-	-

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables.

e. Liquidity Risk

All cash balances and cash common funds held with the Public Trustee are available at call.

f. Market Risk

The Fund is exposed to price risk. Price risk represents the risk that the fair value of investments held with the Public Trustee will fluctuate due to changes in the market price for the underlying asset.

Investments held with the Public Trustee are classified as 'available for sale' financial assets. Net gains or losses resulting from movements in the fair value of investments are recognised directly in equity. Accordingly there is no impact on the net result.

Cash is also subject to interest rate risk.

g. Sensitivity Analysis Disclosure

The impact of a 1% movement in interest rates and a 1% movement in equity indexes on financial assets is shown in the following table:

	Carrying Amount (\$'000)	Interest Rate Risk		Price Risk	
		-1% Net Result (\$'000)	1% Net Result (\$'000)	-1% Equity (\$'000)	1% Equity (\$'000)
2013					
Financial Assets					
Cash and Cash Equivalents	60,484	(605)	605	-	-
Investments	48,699	-	-	(487)	487
Total increase/(decrease)		(605)	605	(487)	487

NOTES TO THE ACCOUNTS
For the year ended 30 June 2013

	Carrying Amount (\$'000)	Interest Rate Risk		Price Risk	
		-1% Net Result (\$'000)	1% Net Result (\$'000)	-1% Equity (\$'000)	1% Equity (\$'000)
2012					
Financial Assets					
Cash and Cash Equivalents	53,936	(539)	539	-	-
Investments	44,656	-	-	(447)	447
Total increase/(decrease)		(539)	539	(447)	447

15. Transactions with SA Government

As required by APS 4.1 of Accounting Policy Framework II General Purpose Financial Reporting Framework, the following table discloses income, expenses and financial assets where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. A threshold of \$100,000 for separate identification of these items has been applied.

	SA Government	
	2013 \$'000	2012 \$'000
Income		
Interest revenue	3,393	4,097
Other income	130	120
Total income	3,523	4,217
Expenses		
Administration	309	163
Other expenses	8	8
Total expenses	317	171
Assets		
Cash and cash equivalents	60,484	53,936
Receivables	608	791
Investments	48,699	44,656
Total assets	109,791	99,383
Liabilities		
Payables	7	7
Total liabilities	7	7

16. Events after reporting period

There are no known events that affect these financial statements.

STATEMENT BY EXECUTIVE

We certify that the attached General Purpose Financial Statements for the Agent's Indemnity Fund:

- comply with relevant Treasurer's Instructions issued under section 41 of the Public Finance and Audit Act 1987, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Fund; and
- present a true and fair view of the financial position of the Agent's Indemnity Fund as at 30 June 2013 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Agent's Indemnity Fund for the financial year over its financial reporting and its preparation of the General Purpose Financial Statements have been effective throughout the reporting period.



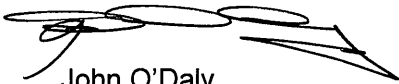
Paul White
Commissioner for Consumer Affairs



Andrew Swanson
**Executive Director
Finance and Business Services
Attorney-General's Department**

Date 31-10-13

Date 31-10-13



John O'Daly
**General Manager, Business Services
Consumer and Business Services**

Date 31-10-13





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www.audit.sa.gov.au

To the Commissioner for Consumer Affairs

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, section 41(2) of the *Land Agents Act 1994*, and section 43(2) of the *Conveyances Act 1994*, I have audited the accompanying financial report of the Agents Indemnity Fund for the financial year ended 30 June 2013. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2013
- a Statement of Financial Position as at 30 June 2013
- a Statement of Changes in Equity for the year ended 30 June 2013
- a Statement of Cash Flows for the year ended 30 June 2013
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Commissioner for Consumer Affairs, the Executive Director, Finance and Business Services and the General Manager, Business Services.

Commissioner for Consumer Affairs' Responsibility for the Financial Report

The Commissioner for Consumer Affairs is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the Commissioner for Consumer Affairs determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commissioner for Consumer Affairs, as well as 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.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the Agents Indemnity Fund as at 30 June 2013, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.



S O'Neill
AUDITOR-GENERAL
4 November 2013



For more information

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