

# Annual Report 2013-14

Report of the  
Commissioner of Consumer and Business Services  
covering the statutory reporting requirements of the:  
*Commissioner for Consumer Affairs*  
*Commissioner for Corporate Affairs*  
*Commissioner for Prices*



3 December 2014  
Chesser House, 91-97 Grenfell Street  
Adelaide SA 500

Copies of the report can be obtained at  
[www.cbs.sa.gov.au](http://www.cbs.sa.gov.au)

3 December 2014

Hon. Minister for Business Services and Consumers,

I am pleased to submit my annual report for the period ending 30 June 2014.

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

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

**Dini Soulio**

Commissioner for Consumer and Business Services

*Commissioner for Consumer Affairs*

*Liquor and Gambling Commissioner*

*Commissioner for Prices*

*Commissioner for Corporate Affairs*



# Table of Contents

About Us	5
Statutory Functions	5
CBS Highlights for 2013-14	6
Customer Services and improving accessibility of services	7
Reducing red tape costs to the community	8
Liquor Licensing and Gaming Improvements	9
Residential Tenancies Reforms	9
Home building protection (indemnity insurance) review	10
Compulsory conciliation conferences	11
Improvements to the CBS Compliance and Enforcement model	11
Educating Consumers and Business	12
Appendix 1 - Terminology	14
Appendix 2 - Legislation Administered	15
Appendix 3 - Births, Deaths, Marriages and Justices of the Peace	17
Appendix 4 - Reporting under the <i>Fair Trading Act 1987</i> - Products withdrawn from sale or recalled 2013-14	18
Appendix 5 - <i>Fair Trading Act 1987</i> and related Acts - Analysis of Fair Trading Enquiries Received	20
Appendix 6 - <i>Fair Trading Act 1987</i> and related Acts - Analysis of Complaints Received by Product or Service	21
Appendix 7 - <i>Fair Trading Act 1987</i> and related Acts - Analysis of Complaints Investigated by Practice	25
Appendix 8 - Occupational Licensing and Registration	26
Appendix 9 - Association and Co-operative Registration	29
Appendix 10 - Liquor Licences as at 30 June 2014	30
Appendix 11 - Residential Tenancies	31
Appendix 12 - Companies and Co-operatives Liquidation Accounts	33
Appendix 13 - Miscellaneous Corporate Affairs Commission Responsibilities	34
Appendix 14 - Reporting under the <i>Fair Trading Act 1987</i> and related Acts - Assurances, Undertakings and Court Actions	35
Appendix 15 - Financial Reports	40



## About Us

Consumer and Business Services (CBS) is responsible for the promotion and protection of consumer's interests in South Australia.

CBS carries out a diversified role such as licensing, dispute resolution, revenue collection, and compliance with various legislative requirements. It includes services to consumers, businesses, licensed traders, and parties to residential tenancy agreements. CBS is also responsible for the regulation of liquor licensing, gambling (including the casino) and wagering.

CBS leads policy development and provides educational and awareness campaigns to ensure an informed community that is able to conduct its business fairly, efficiently, competitively and safely.

Registration services is part of CBS and is responsible for registering and maintaining the particulars relating to births, deaths and marriages, Justices of the Peace, incorporated associations and security and investigation agents.

## 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.

The administration of the *Building and Construction Industry Security of Payment Act 2009* was transferred to the Minister for Small Business on 3 October 2013.

Legislation administered by CBS is outlined in Appendix 2.

- Online lodgement of birth registrations implemented.
- Implemented the Late Night Trading Code of Practice for liquor licensees to reduce alcohol-related crime and anti-social behaviour.
- Issued Adelaide's first Small Venue Liquor licence.
- Successful passage through parliament of the *Statutes Amendment (Occupational Licensing) Act 2013*, which reduces red tape and increases effectiveness of consumer protection mechanisms.
- Implemented changes promoting e-commerce payment options for certain types of occupational licences, resulting in a 25% increase in online payments by licensees.
- Introduced SMS messaging to remind builders licence applicants of scheduled interview times, which has reduced non-attendance at interviews by 50%.
- Completed stage two of the Residential Bonds Online project enabling the secure lodgement and refund of bonds and the ability to change details or escalate disputes to be completed or initiated online.
- Contributed to the review of the Building Indemnity Insurance scheme in SA. Commenced amendments to the *Residential Tenancies Act 1995* with the new bonds provisions suspended, for commencement in 2014-15.
- Implemented and provided education on amendments to the *Residential Tenancies Act 1995* and *Land and Business (Sale and Conveyancing) Act 1994*.
- Expanded the use of compulsory conciliation conferences
- Implemented a new business operating model for investigations.



### **Customer Service Centre**

The CBS Customer Service Centre – on Grenfell Street - has had some great success since it opened in late 2012.

It brings together a range of services previously provided at different places, has allowed CBS to further cross-skill staff, streamline processes, cut red-tape, and improve the service provided to customers and the community.

CBS provides important services that the community needs timely and easy access to, including:

- The registration of births, deaths and marriages.
- The lodgement of licence and registration applications and renewals for occupational licences.
- The lodgement of residential tenancies bonds and liquor licence applications.
- The registration of associations and cooperatives.

The Centre provides general advice to the community on all the services that are offered, by managing and responding to customer enquiries through various communication channels including, face-to-face, email, written correspondence and over the phone.

Since the opening of the Customer Service Centre staff have served more than 121 500 customers at the front counter (an average of over 6 000 a month) visiting the Centre in person to transact with or seek advice from CBS. 84% of these customers are served in less than 10 minutes, and 69% are being served in less than 5 minutes. In addition to the front counter service, the Centre also answers, on average, over 800 phone calls a week with an average speed of answer of 27 seconds.

### **Online Birth Registration Statements**

SA is the first state in Australia to provide new parents with the option of completing a Birth Registration Statement online.

The Online Birth Registration project was launched in July 2013, initially as a pilot with three participating hospitals. Following a three month trial, the pilot project transitioned to full release on 23 September 2013.

This project enables new parents to complete the mandatory birth registration statement and order a birth certificate online in one transaction. Data is transferred directly into the Births, Deaths and Marriages database and automatic SMS and email technology is utilised for corresponding with the parents.

Since the introduction of the online birth registration system in July 2013, 1,543 births have been registered online (9% of total births registered to date for 2013-14). The percentage of births registered online continues to increase each month (currently 13.5%).

Further promotion of the service is planned for 2014-15 which will be closely monitored to assess effectiveness.

Efficiencies include reducing red tape, saving time, money and effort and reducing potential for data entry error, therefore increasing the accuracy of Register data and statistics provided for state planning.

This project also provides new parents with the opportunity to access the State Government's Every Chance for Every Child program via a link from the online birth registration website.

### **SMS messaging of interview times to builders licence applicants**

New applicants for builder's licences are often required to attend an interview to assess their experience and knowledge in relation to the building work licence applied for. Approximately 25 interviews are held each week. For the year 2013-14, on average, there was at least one cancellation every day as the applicants either forgot to attend their interview, or cancelled at the last minute due to more pressing work commitments. Non-attendance at interviews for builders licences causing delays in processing of applications.

In February 2014, CBS introduced the use of SMS messaging to remind applicants of scheduled building interview times. This has reduced non-attendance at interviews by 50%. This initiative has received positive customer feedback and with fewer number of interview cancellations this has improved processing times.

### **Online bond lodgements and refunds**

The Residential Bonds Online project was launched on 21 May 2014. It is a secure and paperless system for the management of residential bonds, 24 hours a day 7 days a week. Using Residential Bonds Online landlords, agents and tenants can benefit from easier communication and faster transactions (for lodgements, refunds & changes). There are over 50 agents operating online with 19,849 residential bonds currently online. This initiative is in line with the State Governments drive to cut red tape and improve access to government services for South Australians.

### **Online payment for occupational licenses**

In June 2012, CBS introduced a facility to enable online payments for occupational licences. Further promotion of this service during 2013/14 has achieved a greater uptake of the facility, with more than 60% of all payments for occupational licences as being made online, compared to 43% for the corresponding period last year.

CBS aims to increase the percentage of payments made online to 70% next year. It is also planned to introduce an interactive voice recognition facility for telephone payments when the redeveloped occupational licensing application is delivered during 2014/15, which will further increase payment options for customers and reduce manual processing of payments.

### **Reducing red tape costs to the community**

CBS has been a major contributor to the Government's drive to reduce red tape costs to the community. Initiatives implemented in recent years have saved the community over \$21 million per annum.

Initiatives implemented in 2013/14, include:

- The introduction of simpler liquor licences for small venues.
- Streamlining of approval requirements for gaming machines.
- A simplified process for councils to apply for declarations of dry areas.
- Amendments to the approval requirements for Responsible Persons for liquor licensees to remove the need for multiple approvals.

- The introduction of a range of online services relating to occupational licensing, Births, Deaths and Marriages, residential tenancies bonds and liquor licensing.
- Replacing the application and approval process for gaming machine managers and employees with a simple notification system.
- The *Statutes Amendment (Occupational Licensing) Act 2013* passed by Parliament last year provides for further reforms aimed at reducing regulatory costs for businesses by removing red-tape and improving administrative efficiencies for CBS. Initiatives currently being implemented include:
  - Allowing building work contractors to engage their supervisors on a contract basis, rather than as an employee or director.
  - Removing the prohibition against bankrupt persons working as subcontractors in the building industry along with a reduction in disqualification periods for previously bankrupt builders and tradespeople seeking to contract with the public.

CBS is currently working on implementing additional measures that will save the community over \$17 million per annum.

### Liquor Licensing and Gaming Improvements

#### Implement the Late Night Code of Practice

The Late Night Code of Practice commenced operation on 1 October 2013. It encourages 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 applies to late night venues that trade between 3am and 7am on any day.

The introduction of the Late Night Code has contributed to a significant decrease in alcohol related crime in the CBD. Provisions in the Late Night Code require measures such as the use of polycarbonate glassware, enhanced CCTV, metal detectors, a restriction on shots and introduces late night restricted entry to prevent bar-hopping (3am lockout).

All of these measures are important factors in addressing the excessive consumption of alcohol, and minimising the social and economic harm on the community.

In January 2014, the Government released statistics that the number of early morning alcohol related presentations to the Royal Adelaide Hospital emergency department had reduced by almost a third since the introduction of the Late Night Code. The statistics show that between 1 October 2013 and 30 June 2014 there was a 20.6 per cent drop in offences against good order, a 10.1 per cent drop in offences against the person and 13.5 per cent drop in violent assaults when compared to the corresponding period of 2012/13.

#### Increased power of the Commissioner under the Liquor Licensing Act

The *Liquor Licensing Act 1997* was amended and commenced on 14 November 2013 which enhanced the powers of the Liquor and Gambling Commissioner to impose conditions for public order and safety, health and welfare grounds as well as increase the powers of authorised officers to enter, inspect and seize.

### Residential Tenancies Reforms

The Residential Tenancies Reforms are the result of extensive public consultation to update the legislation to reflect changes that have occurred in the tenancy sector over the past 15 years. On 1 March 2014, significant changes to residential tenancies commenced, aimed at providing a fair balance of rights and responsibilities for all parties to tenancy agreements.

Key changes for include:

- Better regulation of entry and inspection times.
- Rent cannot be increased until at least 12 months after the commencement of a rental agreement or the last rent increase.
- Landlords are responsible for compensating tenants for their reasonable losses from failure to carry out repairs after the tenant has notified or made reasonable attempts to notify the landlord.
- Landlords cannot unreasonably withhold consent to any alteration or addition to the premises that is necessary for the provision of key infrastructure or services.
- Landlords must take reasonable steps to give manuals or written or oral instructions to tenants for the operation of facilities.
- In the absence of an agreement about water, if the water supply is separately metered, all rates and charges for water supply will be borne by the tenant.
- Tenants will be responsible for compensating landlords for ancillary property lost or destroyed, such as keys and remotes for carport doors.
- Where a tenant vacates the premises due to a breach notice for rent arrears, the landlord is entitled to compensation for any loss (including loss of rent) caused by the early termination.
- Where tenants have been served two breach notices within 12 months, the landlord can apply to the Tribunal for vacant possession if the tenant is in rent arrears for a third time.
- Regulation of Residential Tenancy Databases.

Operation of the Residential Tenancies Tribunal has been improved by:

- Expanding the mediation provisions.
- Raising the Tribunal's jurisdictional limit from \$10,000 to \$40,000.
- Encouraging the Tribunal to determine small claims without parties being required to attend a hearing. Although all parties retain the right to be heard.
- Streamlining the notice periods for the service of forms and lodging of certain applications.

Further provisions expected to commence in 2014/15 will provide rooming house tenants with greater protection, as previously their agreements were subject to minimal regulation.

Older South Australians will be better protected, as the scope of the *Residential Tenancies Act 1995* will be expanded to protect residents in lifestyle villages which provide rental accommodation.

#### Home building protection (indemnity insurance) review

Building Indemnity Insurance is an important consumer protection mechanism. It is compulsory in South Australia under the *Building Work Contractors Act 1995* where the domestic building work contract is \$12,000 or more and council approval is required.

The last major insurer this Insurance, QBE Insurance, withdrew from the market on 1 July 2013. It will continue to honour policies written prior to that date. The Government will not allow a market failure and has taken on the insurance risks to allow the Indemnity Insurance to continue to be provided, whilst examining options for a long-term solution.

The Government has commenced a review of home building protection requirements. This review covers: Different Indemnity Insurance models; Licensing and supervision of builders; Contractual requirements; Dispute resolution; and Consumer awareness and education. A discussion paper was released on 17 January 2014. Submissions to the review have been considered by a steering committee including representatives from CBS, South Australian Government Financing Authority and a senior SA Government executive with building indemnity insurance expertise. The steering committee has made a number of recommendations relating to builders licensing and supervision requirements and

improvements to the dispute resolution process. The recommendations will be provided to the Government for consideration in 2014/15 and further consultation will be undertaken with key industry and consumer groups before proposed legislative changes are drafted.

#### Compulsory conciliation conferences

The Commissioner for Consumer Affairs has the power to call Compulsory Conciliation Conferences under the *Fair Trading Act 1987*. The power is used when traders are recalcitrant or generate a high volume of complaints against consumers. The compulsory conciliation conference brings parties to a dispute, face to face, with an independent conciliator to resolve the matter.

191 disputes were escalated through the compulsory conciliation process. This is approximately 14.5% of the total conciliation files received. 88% of these disputes were resolved successfully. Over 50% of disputes were resolved prior to the conference, which demonstrates the impact of calling a compulsory conciliation conference. Traders who fail to attend compulsory conferences can be issued with an Expiation Fee of \$315. During the year nine matters have been referred for expiation

#### Improvements to the CBS Compliance and Enforcement model

##### **New business operating model for Investigations and Inspections**

CBS has rolled out formal, standardised training for investigators, and implemented a front end complaint referral system.

In January 2014, CBS established a team to conduct early risk based assessments of all complaints and information relating to potential breaches of legislation and business practices that may result in consumer detriment. An assessment committee comprising senior managers considers all available information gathered to determine the appropriate CBS response, including:

- the seriousness of the alleged conduct;
- degree of actual or potential consumer harm or risk to public safety;
- previous complaints or actions against the trader;
- the credibility of the sources of information;
- other factors indicating the need for an urgent response by CBS.

Based on the information provided, identification of high risk ongoing or potential consumer harm leads to immediate proactive action by CBS investigators and compliance officers. CBS Investigators now frequently conduct major operations executing warrants and enforcement notices in co-operation with SAPOL. Compliance officers now conduct regular random and targeted operations to monitor industry compliance, involving face-to-face contact with traders.

A few examples of the outcomes for 2013/14 include:

- CBS Investigators conducted successful operations to locate and intercept itinerant traders reportedly door knocking consumers and coercing them into unsolicited contacts for bitumen laying and tree lopping services. To counter the cross-jurisdictional activities of the traders, CBS works co-operatively with consumer authorities in other states, police, immigration and tax authorities to break the business model of the traders.
- CBS Investigators assisted SAPOL to break a crime ring involving a commercial operation to wind back vehicle odometers. Raids on six properties resulted in the arrest of five persons and seizure of electronic equipment and documentation.

CBS compliance officers have conducted successful targeted operations to ensure legislative compliance and awareness of a range of industries and practices, including:

- discounting price practices of petrol stations;
- retail warranties and return policies;
- real estate advertising, open inspections and auction practices ;
- product safety of items for sale at retail outlets;
- 'do it yourself' plumbing advice given by hardware stores; and
- Charitable institutions and associations incorporated under the *Associations Incorporations Act 1985*.

## Educating Consumers and Business

### Information sessions and events

Thirty two information seminars on residential tenancy rights and obligations were presented to organisations such as Flinders University, the Real Estate Institute of South Australia, community housing providers and landlords. Four events promoting tenancy and consumer rights were presented to students at Thebarton Senior College and as part of Sorry Day during Reconciliation Week. A further 12 sessions on other consumer issues were presented to TAFE students, community workers, seniors groups and community groups

Information stalls were effective in engaging with vulnerable consumer groups at events such as Paskeville Field Days, Anti-poverty Week and Disability Expo.

Forty eight interviews on topical consumer issues were presented on four community radio stations: 5EBI (ethnic), 5RPH (radio for the print handicapped); and Coast FM (southern suburbs) and Radio Italiano; reaching audiences that can sometimes be hard to reach through the mainstream media.

### Communication via the media

In 2013-14, CBS increased efforts using the media to alert and protect consumers, with 56 media releases being issued throughout the year. The Commissioner also worked closely with several media outlets to highlight consumer protection issues, with regular stories in the Sunday Mail and The Advertiser, as well as frequent appearances on radio and television.

### Education campaigns

The Real Estate Reforms education campaign involved new information resources, an industry mail-out and advertisements to inform the community of their new rights and responsibilities. Digital advertising led to more than 23,000 visits to the campaign web-pages for consumers. Webpages for industry averaged 2,000 visits per month prior to the campaign, and increased to 36,400 visits per month during the three-month campaign.

A range of activities were undertaken to ensure tenants, landlords and property managers were informed of the Residential Tenancies Reforms. The campaign included: direct mail; social media; targeted promotional activities to reach TAFE and university students; and updated brochures, including translated material for migrants and international students.

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

- A campaign to promote trampoline safety to parents of young children, with the national launch held in Adelaide featuring Olympian and trampoline gymnast Blake Gaudry.

- The “Safe sunnies” campaign, including an online tool, to help shoppers choose which pair of sunglasses is safest for their eyes.
- A scams awareness campaign, with a particular focus on dating and romance scams.
- A basic consumer rights program targeting consumers from new and emerging communities, including refugees and humanitarian entrants, with translated video materials and promotion through local multicultural organisations.
- CBS led a national project to develop a resource for Indigenous consumers. “Be Smart - Buy Smart” is an illustrated booklet that provides helpful tips and information for Indigenous consumers about their shopping rights and responsibilities under Australian Consumer Law (ACL).

Other new resources developed during the year include a series of guides to help specific industries comply with the ACL (rental cars, electrical and white goods, motor vehicle sales and repairs, personal services, travel and accommodation) and updated brochures for consumers and industry to reflect changes in real estate and residential tenancies legislation.

#### Deadly Dollars DVD

CBS received a grant of \$49,950 from the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs (FAHCSIA) to develop a consumer rights DVD aimed at Aboriginal consumers living on the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands. The DVD titled Deadly Dollars - Something for Nothing depicts what can happen to an Anangu family when lumbered by debts caused by expensive contracts and impulsive purchases. The script has been developed in close consultation with locals from the Lands including residents, community leaders and community service providers. Filming for the video occurred in May 2014, with local actors speaking Pitjantjatjara. English text will be overlaid so that the video can be viewed by Aboriginal people from other areas across South Australia. The DVD will be launched in 2014/15.

#### Be Smart - Buy Smart booklet

CBS led a national project to develop an illustrated publication to assist Aboriginal Australians to understand their consumer rights. The new Be Smart- Buy Smart booklet is based on SA’s Talk About Shopping publication which provides information about shopping rights, credit and book up, refunds, guarantees and warranties, lay-by, contracts, scams, resolving issues and lodging a complaint. The new booklet was launched nationally in March 2014 with thousands of copies of the booklet having been distributed across the country.

The project is a joint consumer awareness initiative by all Commonwealth, State and Territory consumer protection agencies in Australia.

Appendix 1  
Terminology

**ACL** - *Australian Consumer Law*

**CBS** - Consumer and Business Services

**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.

**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 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 Industry 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

Births, Deaths, Marriages and Justices of the Peace as at 30 June 2014

<b>Registrations</b>	<b>Total</b>
Birth	20 192
Deaths	13 009
Marriages	7 939
Changes of Names	3 042
Certificates issued for Births, Deaths, Marriages and Change of Name	111 680

4 200 Justices of the Peace were reappointed in 2013-14.

Appendix 4

Reporting under the Fair Trading Act 1987 - Products Withdrawn from Sale or Recalled 2013-2014

<b>Surveillance</b>	<b>Number of Products withdrawn or recalled</b>	<b>Outcome/reason</b>
General market surveillance July 2013  (1 product line)	(14) Cosmetics	Withdrawn - failed mandatory information standard
General market surveillance August 2013  (1 product line)	(93) Sunglasses	Withdrawn – failed mandatory safety standard
Royal Adelaide Show and Paskeville Field Day surveillance September 2013  (5 product lines)	(61) Sunglasses (2) Sunglasses (Paskeville) (1) Children’s nightwear (2) Children’s nightwear (Paskeville) (1) Disposable cigarette lighters (1) Yoyo water ball (1) Blind and Cord Curtain	Withdrawn – failed mandatory safety standard Withdrawn – failed mandatory safety standard Withdrawn – failed mandatory safety standard Withdrawn – failed mandatory safety standard Withdrawn – failed mandatory safety standard Withdrawn – banned product Withdrawn and recalled – failed mandatory safety standard
Halloween and Christmas toy surveillance, sunglasses surveillance and the Mount Gambier Show. October 2013  (3 product lines)	(116) Sunglasses (1) Cosmetics (1) Projectile	Withdrawn – failed mandatory safety standard Withdrawn – failed mandatory information standard Withdrawn – failed mandatory safety standard
Christmas toy surveillance, sunglasses surveillance and cosmetics surveillance November 2013  (5 product lines)	(325) Sunglasses (7) Cosmetics (1) Bean bag cover (1) Bucky Balls (1) Toys for children under 3	Withdrawn – failed mandatory safety standard Withdrawn – failed mandatory information standard Withdrawn and recalled – failed mandatory safety standard Withdrawn and recalled – banned product Withdrawn and Recalled – failed mandatory safety standard

<b>Surveillance</b>	<b>Number of Products withdrawn or recalled</b>	<b>Outcome/reason</b>
General market surveillance January 2014  (3 product lines)	(3) Cosmetics  (3) Sunglasses  (1) Buoyancy vest	Withdrawn – failed mandatory information standard  Withdrawn – failed mandatory safety standard  Withdrawn and recalled – no standard - risk of harm
General market surveillance February 2014  (1 product lines)	(1) Cosmetics	Withdrawn – failed mandatory information standard
Lucindale Field Day surveillance and general market surveillance March 2014 (2 product lines)	(1) Children’s nightwear  (1) Cosmetics	Withdrawn – failed mandatory safety standard  Withdrawn – failed mandatory information standard
General market surveillance April 2014  (1 product lines)	(1) Children’s daywear	Withdrawn and recalled – no standard - risk of harm
Portable pools and general market surveillance  May 2014  (2 product lines)	(7) Portable pools  (2) Candle holders	Withdrawn – failed mandatory safety standard  Withdrawn and recalled – banned product

Note: The numbers in brackets indicate the number of faulty items.

Appendix 5

Fair Trading Act 1987 and related Acts - Analysis of Fair Trading Enquiries Received

Analysis of Enquiries <sup>1</sup> Received by Category		1 July 2013 to 30 June 2014		
	Main Category	Variation	2013-14	2012-13
1	General Goods	-13%	7 826	9 005
2	Building & Construction	-10%	6 952	7 699
3	Motor Vehicles	-16%	4 044	4 788
4	Travel, Hospitality & Tourism	-18%	493	599
5	Communication	-34%	546	833
6	Insurance	-17%	232	281
7	Credit & Finance	-23%	246	321
8	Real Estate & Accommodation	-18%	630	770
9	Marketing Methods	-32%	183	264
10	General Services	+15%	8 765	7 655
11	Referred Matters	+12%	7 233	6 461
12	Scams & Schemes	-60%	388	971
13	Other	+6%	1 988	1 876
	<b>TOTAL for Period</b>	<b>-5%</b>	<b>39 526</b>	<b>41 553</b>

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

Appendix 6

Fair Trading Act 1987 and related Acts - Analysis of Complaints Received by Product or Service

1 July 2013 to 30 June 2014						
		Variation	2013-14		2012-13	
	Category		Sub-total	Total	Sub-total	Total
<b>1</b>	<b>Residential Building Construction</b>	<b>-3%</b>		<b>948</b>		<b>975</b>
	Air conditioning, heating installation		26		38	
	Building & decorating products		13		6	
	Carpentry, joinery		8		5	
	Pest control services		4		4	
	Concrete work, foundations, brickwork, paving		49		48	
	Electrical (incl solar panel systems)		291		361	
	Fences, garden walls, gates		11		25	
	Garages, carports, sheds, water tanks		33		26	
	Gardening & outdoor products		89		57	
	Home construction, extensions, renovations		233		211	
	Painting, decorating, plastering		14		19	
	Plumbing - water, gas, drainage		39		36	
	Roofing, insulation, roof treatments		49		42	
	Swimming pools, spas, hot tubs		19		12	
	Tiling		15		13	
	Other		55		72	
<b>2</b>	<b>General Consumer Products</b>	<b>10%</b>		<b>800</b>		<b>727</b>
	Air conditioners		14		10	
	Literature, stationery, CDs & DVDs		30		16	
	Clothes		70		59	

	Variation	2012-14		2012-13	
Category		Sub-total	Total	Sub-total	Total
Electrical goods - other		8		6	
Food products		86		54	
Footwear		13		14	
Furnishings		43		39	
Furniture - lounge suites		50		24	
Furniture - other		56		50	
Haberdashery, clothing materials & accessories		5		5	
Heaters & hot water systems		19		31	
Household appliances		81		51	
Jewellery, clocks and watches		30		35	
Pets & pet products		22		15	
Photographic equipment & supplies		16		18	
Health & cleaning products		32		28	
Sports & camping equipment		28		31	
Televisions, VCRs & DVD players		43		46	
Whitegoods - other		13		16	
Whitegoods - refrigerators		14		19	
Whitegoods - washing machines		14		17	
Other general goods		113		143	
<b>3 General Services</b>	<b>5%</b>		<b>613</b>		<b>586</b>
Dry cleaning		3		9	
Education & training		17		19	
Employment		6		5	
Health & fitness (gyms)		47		49	
Furniture removals		15		13	



		Variation	2013-14		2012-13	
	Category		Sub-total	Total	Sub-total	Total
	Health services		8		13	
	Household services		56		66	
	Introduction agencies		1		2	
	Transport services		20		28	
	Personal services		59		69	
	Professional & technical services		34		34	
	Utilities & fuel supply		33		22	
	Sport, culture & recreation		34		25	
	Other services		280		232	
<b>4</b>	<b>Motor Vehicles and Transport Products</b>	<b>1%</b>		<b>381</b>		<b>377</b>
	Purchase of new motor vehicles		55		42	
	Purchase of new & used motor cycles		14		8	
	Purchase of used motor vehicles		106		143	
	Consignment sales		1		1	
	Automotive repair & servicing		108		107	
	Spare parts & accessories		41		43	
	Other transport vehicles & equipment		56		33	
<b>5</b>	<b>Travel, Hospitality and Tourism</b>	<b>-19%</b>		<b>127</b>		<b>156</b>
	Travel agents		15		12	
	Tours		6		10	
	Passenger services		38		42	
	Car, Campervan & Caravan rental		13		28	
	Hotels, motels, hostel		27		37	
	Other		28		27	

	Category	Variation	2013-14		2012-13	
			Sub-total	Total	Sub-total	Total
<b>6</b>	<b>Scams and Schemes</b>	<b>-74%</b>		<b>28</b>		<b>108</b>
	Scams (eg Nigerian scam)		26		97	
	Get rich quick schemes		2		11	
<b>7</b>	<b>Communication &amp; Information</b>	<b>15%</b>		<b>231</b>		<b>201</b>
	Telephone services & products		119		79	
	Internet		19		12	
	Television & other services		5		11	
	Computers and software		88		99	
<b>8</b>	<b>Real estate, accommodation</b>	<b>-38%</b>		<b>66</b>		<b>107</b>
	Property sales and listings		37		67	
	Property management		13		18	
	Other - accommodation and real estate		16		22	
<b>9</b>	<b>Marketing Methods</b>	<b>-62%</b>		<b>26</b>		<b>69</b>
	Internet - Marketing, Distant Selling		5		22	
	Discount & gift voucher schemes		5		28	
	Other		16		19	
<b>10</b>	<b>Product Safety</b>	<b>15%</b>		<b>53</b>		<b>46</b>
	Product safety/standards & hazardous products		53		46	
<b>11</b>	<b>Credit, finance, investment</b>	<b>10%</b>		<b>23</b>		<b>21</b>
	Credit & finance		20		19	
	Investment		3		2	
<b>12</b>	<b>Insurance</b>	<b>11%</b>	21	<b>21</b>	19	<b>19</b>
	<b>TOTAL FOR PERIOD</b>	<b>-3%</b>		<b>3 296</b>		<b>3 392</b>

Note - The incidence of reported scams continue to drop (down 74%) due to greater consumer awareness and greater utilisation of the national SCAMwatch reporting mechanism.

Appendix 7

Fair Trading Act 1987 and related Acts - Analysis of Complaints Investigated by Practice

1 July 2013 to 30 June 2014				
	Practice	Variation	2013-14	2012-13
1	Quality	8%	1 164	1 074
2	Contracts	-2%	666	683
3	Warranties	-4%	382	398
4	Miscellaneous Conduct	-53%	119	254
5	Representations	30%	438	337
6	Price	-25%	170	227
7	Scams and Schemes	-71%	27	93
8	Advertising	-5%	211	222
9	Product Safety/Standards & Hazardous Products	23%	53	43
10	Sales Methods	45%	42	29
11	Credit	-50%	12	24
12	Product Labelling	50%	12	8
	<b>TOTAL</b>	<b>-3%</b>	<b>3 296</b>	<b>3 392</b>

## Appendix 8

### Occupational Licensing and Registration

#### Licences and registrations issued 2013-14

- CBS administers a register containing 82 927 current licences and registrations under seven separate pieces of legislation.
- Staff receive approximately 1 500 occupational licensing enquiries weekly from customers either phoning or visiting CBS in person.
- 8 450 applications for new and upgraded licences and registrations were processed during the 2013/14 financial year.

#### Builders

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

<b>Licences (Builders)</b>	<b>2013-14</b>	<b>2012-13</b>
Held by bodies corporate (usually companies)	4 323	4 226
Held by natural persons (individuals or members of partnerships)	18 818	18 926
Held by building work supervisors registrations only	3612	3 407
<b>Total</b>	<b>26 753</b>	<b>26 559</b>
Applications for New Licences/Registrations or a change of conditions processed	2 637	2 516

#### Security and Investigation Agents

<b>Licences (Security and Investigation Agents)</b>	<b>2013-14</b>	<b>2012-13</b>
Held by bodies corporate (usually companies)	416	391
Held by natural persons	8 398	8 287
<b>Total</b>	<b>8 814</b>	<b>8 678</b>
Applications for New Licences or a change of conditions processed	1 360	1 404

#### 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.

<b>Plumbers, Gas Fitters and Electricians</b>	<b>2013-14</b>	<b>2012-13</b>
<i>Licences</i>		
- Plumbing	1 953	1 966

- Gas Fitting	1 469	1 466
- Electrical	5 520	5 560
<i>Registrations</i>		
- Plumbing	5 248	4 378
- Gas Fitting	4 350	3 687
- Electrical	21 558	17 683
<b>Total</b>	<b>40 098</b>	<b>34 740</b>
Applications for new licences/registrations or a change of conditions processed	3 387	3 587

The number of applications is not in line with the increase in the total number of plumbing, gas fitting and electrical licences as more than one licence can be applied for on the one application.

#### Land Agents, Real Estate Sales Representatives and Auctioneers

<i>Registrations (Land Agents, Sales Representatives and Auctioneers)</i>	<b>2013-14</b>	<b>2012-13</b>
Held by land agent bodies corporate (usually companies)	881	871
Held by land agent natural persons	2 165	2 084
Held by sales representative and auctioneer natural persons	2 194	2 201
<b>Total</b>	<b>5 240</b>	<b>5 156</b>
Applications for new registrations processed	<b>795</b>	<b>820</b>

#### Conveyancers

<i>Registrations (Conveyancers)</i>	<b>2013-14</b>	<b>2012-13</b>
Held by bodies corporate (usually companies)	63	64
Held by natural persons	608	615
<b>Total</b>	<b>671</b>	<b>679</b>
Applications for new registrations processed	33	32

## Travel Agents

<b>Licences (Travel Agents)</b>	<b>2013-14</b>	<b>2012-13</b>
Held by bodies corporate (usually companies)	112	158
Held by natural persons	37	55
<b>Total</b>	<b>149</b>	<b>213</b>
Applications for new licences processed	13	25

In response to changing market conditions within the travel industry, travel agents no longer require a licence from 1 July 2014. The *Travel Agents Act 1986* has been repealed.

## Second-hand Vehicle Dealers

<b>Licences (Second-hand Vehicle Dealers)</b>	<b>2013-14</b>	<b>2012-13</b>
<i>Held by bodies corporate (usually companies)</i>		
- second-hand vehicle dealers	367	371
- second-hand motor cycle dealers	29	31
<i>Held by natural persons</i>		
- second-hand vehicle dealers	752	749
- second-hand motor cycle dealers	54	56
<b>Total</b>	<b>1 202</b>	<b>1 207</b>
Applications for New Licences/Registrations processed:		
- second-hand vehicle dealers	88	108
- second-hand motor cycle dealers.	2	6
Registration of trading premises	<b>45</b>	79

## Appendix 9

### Association and Co-operative Registration

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 115 general telephone enquiries weekly.

#### Incorporated Associations

	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
Incorporated associations on the register (at 30 June)	20 032	19 770	19 516
Incorporated during the year	390	380	332
De-registered and wound-up	128	78	78
Periodic returns lodged	619	656	724
Searches of the public register	686	702	707

#### Co-operatives

	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
Co-operatives on the register (at 30 June)	56	56	57
Incorporations	1	0	0
Foreign registrations	0	0	1
De-registrations	1	1	4

## Appendix 10

### Current Liquor Licences as at 30 June 2014\*

Licence	2011	2012	2013	2014
Club	400	403	405	400
Direct Sales	362	427	433	415
Entertainment Venue	41	42	42	37
Hotel	626	626	628	618
Limited Club	842	839	845	872
Producer	1 272	1 282	1 261	1 225
Residential	204	202	203	192
Restaurant	1 141	1159	1180	1 201
Retail Liquor Merchant	195	191	194	194
Small Venue	-	-	2	23
Special Circumstances	647	644	625	606
Wholesale Liquor Merchant	362	349	308	279
<b>Total</b>	<b>6 092</b>	<b>6 164</b>	<b>6 126</b>	<b>6 062</b>

\* includes current and suspended licences but excludes limited licences



## Appendix 11

## Residential Tenancies

<b>Bonds</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
Total tenant provided residential bonds held	146 042	144 478	101 661
Total Housing SA provided residential bonds held	309	335	335
Total Housing SA residential bond guarantees held	58 187	53 989	35 231
<b>Total residential bonds held</b>	<b>204 538</b>	<b>198 802</b>	<b>137 227</b>

Tenant provided residential bonds (\$)	226 782 513	216 970 172	141 394 786
Housing SA provided residential bonds (\$)	133 333	142 928	142 928
Housing SA residential bond guarantees (\$)	61 758 520	54 638 669	33 902 670
<b>Total residential bonds held (\$)</b>	<b>288 674 367</b>	<b>271 751 769</b>	<b>175 440 385</b>

Residential bonds lodged	60 855	61 580	62 195
Residential bonds refunded	56 298	55 117	52 826

Total residential park bonds held	672	689	472
Total residential park bonds held (\$)	312 605	326 879	184 558
Residential park bonds lodged	185	217	238
Residential park bonds refunded	185	202	230

Incoming bond calls	45 369	43 995	47 850
Incoming emails requesting advice	3 840	1 956	1 904

<b>Advice</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
Requests for assistance ( <i>files</i> )	16	123	256
Customer contacts ( <i>inc outgoing calls and counter</i> )	4 739	6 450	7 432

Incoming tenancy advice calls	47 347	52 119	56 068
Incoming emails requesting advice	1 464	2 410	2 220
Expiation notices issued by the Branch		111	87

<b>Residential Tenancies Tribunal</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
Applications lodged	11 436	11 989	11 410
Hearings listed - metro	11 129	10 695	9 257
Hearings listed - country	911	783	361
Hearings listed - country video conference	291	301	733
Hearings actually conducted	10 543	10 044	8 944
Incoming emails relating to hearings	6 888	6 525	2 262

<b>RTT Listings by category</b>	<b>2013-14</b>		<b>2012-13</b>		<b>2011-12</b>	
	#	%	#	% <sup>2</sup>	#	%
Vacant possession	6 337	53	6 717	59	6 213	65
Bond and compensation	4 026	33	3 146	27	2 394	25
Miscellaneous	765	6	826	7	409	4
Vary or set aside	712	6	602	5	361	4
Termination due to tenant conduct	145	1	111	1	133	1
Immediate termination	37	0.3	49	0.4	54	0.6
Retirement Villages	13	0.1	22	0.2	51	0.5
Exemptions	5	0	5	0	3	0
<b>Total metro and country</b>	<b>12 040</b>		<b>11 478</b>		<b>9 618</b>	

Appendix 12

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.

<b>Companies Liquidation Account</b>	<b>\$</b>
Balance at 1 July 2013	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)  Payments to Consolidated Account in accordance with section 427(6)	0
Balance at 30 June 2014	94 244.40

<b>Co-operatives Liquidation Account</b>	<b>\$</b>
Balance at 1 July 2013	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  Payments to Consolidated Account in accordance with section 331	0
Balance at 30 June 2014	64 992.85

***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 were eleven new registrations and no de-registrations during the year with the total number of limited partnerships registered as 40. 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 2014 are due to be lodged with Consumer and Business Services by the end of October 2014.

## Assurances

No.	Trader	Date	Act	Section	Undertaking
899	SA Solar Wind & Lighting Pty Ltd	26/08/2013	<i>Building Work Contractors Act 1995</i>  <i>Plumbers, Gas Fitters and Electricians Act 1995</i>	S6(1)(a)  S5	Refrain from carrying on business as a building work contractor, and entering into a contract for building work.  Refrain from carrying on business as an electrical contractor, and entering into a contract for electrical work.
900	Outback Solar Solutions	26/08/2013	<i>Building Work Contractors Act 1995</i>  <i>Plumbers, Gas Fitters and Electricians Act 1995</i>	S6(1)(a)  S5	Refrain from carrying on business as a building work contractor, and entering into a contract for building work.  Refrain from carrying on business as an electrical contractor, and entering into a contract for electrical work.
901	Mr Ramazan Zadeh	10/09/2013	<i>Second-hand Vehicle Dealers Act 1995</i>	S7(1)	Refrain from carrying on business as a second-hand vehicle dealer whilst not being the holder of a second-hand vehicle dealers licence.
902	Mr Kwan Chak Ng	14/10/2013	<i>Second-hand Vehicle Dealers Act 1995</i>	S7(1)	Refrain from carrying on business as a second-hand vehicle dealer whilst not being the holder of a second-hand vehicle dealers licence.
903	Ashley Underhill & Associates Pty Ltd	10/12/2013	<i>Land and Business (Sale and Conveyancing) Act 1994</i>	S20(1)	Ensure future completion of a Sales Agency Agreement with client.
904	Mr Emlin Evans	20/01/2014	<i>Second-hand Vehicle Dealers Act 1995</i>	S7(1)	Refrain from carrying on business as a second-hand vehicle dealer whilst not being the holder of a second-hand vehicle dealers licence.
905	Kate Eliza Real Estate Pty Ltd	21/01/2014	<i>Land Agents Act 1994</i>	S6A(3)(b)	Refrain from employing an unregistered person to carry on the business of sales.

<b>No.</b>	<b>Trader</b>	<b>Date</b>	<b>Act</b>	<b>Section</b>	<b>Undertaking</b>
906	Mr David Poignand	17/02/2014	<i>Second-hand Vehicle Dealers Act 1995</i>	S7(1)	Refrain from carrying on business as a second-hand vehicle dealer whilst not being the holder of a second-hand vehicle dealers licence.
907	Mr Daniel Zampogna	17/02/2014	<i>Second-hand Vehicle Dealers Act 1995</i>	S7(1)	Refrain from carrying on business as a second-hand vehicle dealer whilst not being the holder of a second-hand vehicle dealers licence.
908	Mr Lowie Zampogna	17/02/2014	<i>Second-hand Vehicle Dealers Act 1995</i>	S7(1)	Refrain from carrying on business as a second-hand vehicle dealer whilst not being the holder of a second-hand vehicle dealers licence.

## Undertakings

No.	Trader	Date	Act	Section	Undertaking
ACL3	Great Solar Solutions Pty Ltd	18/10/2013	<i>Australian Consumer Law (SA)</i>	S158(5) S36(3)	Refrain from accepting further deposits from consumers until outstanding contracts completed to the satisfaction of the Commissioner.
ACL4	Homeworks Company Pty Ltd	07/11/2013	<i>Australian Consumer Law (SA)</i>	S152(1)(g) S21(1)	Refrain from further use of government and official logos and to advise consumers in writing.
ACL5	WWW Enterprises Pty Ltd	06/09/2013	<i>Australian Consumer Law (SA)</i>	S158(7)	Undertake to make full refund to consumers in respect to unfulfilled contracts.

## Court Actions

Name	Act	Section	Allegations	Outcome
Petar Josipovic	<i>Building Work Contractors Act 1995</i>	S6	Carrying on business as a building contractor whilst not being the holder of a licence.  Falsely advertising that he was entitled to carry on business as a building contractor.	Fined \$5 000  Ordered to pay compensation of \$20 000 to consumers.
Linda Marks	<i>Australian Consumer Law (SA)</i>  <i>Building Work Contractors Act 1995</i>	S21(1)  S32(a)	Unconscionable conduct in connection with the supply or possible supply of goods or services.  Fail to provide remedial work in accordance with statutory warranty.	Convicted and fined \$1 200 and ordered to pay compensation to consumers \$1 130 and costs
Paringa Property Services Pty Ltd	<i>Building Work Contractors Act 1995</i>	S21(1)(c)	Acting improperly whilst conducting business as a builder.	Each director reprimanded and Building Work Supervisor required to undertake additional training

Name	Act	Section	Allegations	Outcome
				courses with Housing Industry Association.
Precision Pergola & Construction Pty Ltd	<i>Australian Consumer Law (SA)</i>	S158(7)(a)(b)	Accept payment for goods or services and fail to supply the goods or services within the period specified.	Company fined \$2 000 and ordered to pay costs.
Michael McDonald (Director)	<i>Building Work Contractors Act 1995</i>	S6	Carried on business as a Building work contractor whilst not being the holder of a building work contractors licence.	Mr McDonald convicted and fined \$1 000 and ordered to pay compensation to consumers of \$1 000 and to pay costs.
Rocco Scarfo	<i>Second-hand vehicle Dealers Act 1995</i>	S34(1)	Interfering with the odometer of a second hand vehicle.	Convicted and fined \$3 500 and ordered to pay compensation to consumers of \$3 373 and costs.  Appeal to Supreme Court against severity of sentence dismissed.
Tyson Hoey	<i>Australian Consumer Law (SA)</i>  <i>Building Work Contractors Act 1995</i>	S158(5)(a)(b)  6(1)(a)	Improperly accepting payment but not supplying goods and services within a reasonable time.  Carrying on business as a building work contractor whilst not being the holder of a licence.	Fined \$20 000  Ordered to pay compensation to consumers totalling \$18 249.
Palazzo Property Group Pty Ltd	<i>Gaming Machines Act 1992</i>	S36(1)(d)	Failed to pay gaming tax within 7 days as determined by the legislation.	Fine imposed \$10 000. \$5 000 payable within 28 days. \$5 000 suspended for a period of 12 months. Director reprimanded.
Kamel Mousselmani (aka Kamel Kassem, Ali Faraj)	<i>Building Work Contractors Act 1995</i>	6(1)(a)  28(1)(a)	Carrying on business as a building work contractor whilst unlicensed.  Failing to fulfil formal requirements in relation to domestic building work contracts.	Disqualified from being licensed and registered.  Prohibited from being employed or otherwise engaged as a building



Name	Act	Section	Allegations	Outcome
		30  34	Demanding or requiring payments under a domestic building work contract to which he was not entitled.  Performing building work without a policy of insurance.	contractor.  Prohibited from being a director of a body corporate that is a building work contractor.
Kamel Mousselmani (aka Kamel Kassem, Ali Faraj)	<i>Second-hand Vehicle Dealers Act 1995</i>	S6	Carry on business of a second-hand vehicle dealer whilst not authorised by licence.	Convicted and fined \$33 000 plus costs.
Daniel Nguyen	<i>Land Agents Act 1994</i>	S43(1)(e)	Convicted of disentitling offence - unfit to be a registered Land Sales Representative.	Disciplinary action discontinued when Mr Nguyen surrendered his registration.
James Trimboli	<i>Plumbers, Gas Fitters and Electricians Act 1995</i>	S20(1)(c)	Acting negligently in the course of conducting business and performing negligent work.	Disqualified from holding an electrical contractors licence.  Prohibited from being employed or otherwise engaged as an electrical contractor.  Prohibited from being a director of a body corporate that is an electrical contractor.
Seng Chaing Kong	<i>Associations Incorporation Act 1985</i>	S39	Improper use of position to gain a benefit.	Convicted and Imprisoned for 20 months  Non-parole period of 6 months  Restitution of \$135 000 paid to Association

**Residential Tenancies Fund**

**Auditor-General's Report**

**Second-hand Vehicles Compensation Fund**

**Auditor-General's Report**

**Agents Indemnity Fund**

**Auditor-General's Report**

# **RESIDENTIAL TENANCIES FUND**

## **Annual Financial Statements**

**For the year ended 30 June 2014  
As at 30 June 2014**

**STATEMENT BY EXECUTIVE**

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

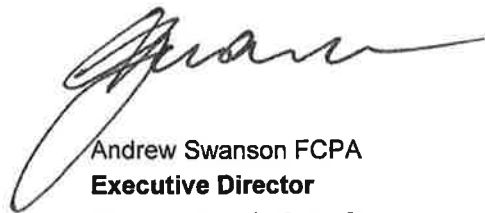
- comply with relevant Treasurer's Instructions issued under section 41 of the Public Finance and Audit Act 1987, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Fund; and
- present a true and fair view of the financial position of the Residential Tenancies Fund as at 30 June 2014 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.



Dini Soulio  
**Commissioner for Consumer Affairs**

Date: 3/11/14



Andrew Swanson FCPA  
**Executive Director**  
**Finance, People & Performance**  
**Attorney-General's Department**

Date: 3/11/14



Jacob Bonnici  
**Business Manager, Business Services**  
**Consumer and Business Services**

Date: 3/11/14

**RESIDENTIAL TENANCIES FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**  
For the Year Ended 30 June 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Income</b>			
Investment & Interest revenue	4	7,049	7,213
Other income	5	517	513
<b>Total income</b>		<b>7,566</b>	<b>7,726</b>
<b>Expenses</b>			
Employee benefits expenses	6	4,502	3,884
Accommodation		792	777
Depreciation and amortisation expenses	7	15	16
Other expenses	8	863	1,696
<b>Total expenses</b>		<b>6,172</b>	<b>6,373</b>
<b>Net result</b>		<b>1,394</b>	<b>1,353</b>
<b>Other Comprehensive Income</b>			
<i>Items that will be reclassified subsequently to net result when specific conditions are met</i>			
Market value movement of investments		5,852	5,786
<b>Total comprehensive result</b>		<b>7,246</b>	<b>7,139</b>

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

**RESIDENTIAL TENANCIES FUND**  
**STATEMENT OF FINANCIAL POSITION**  
As at 30 June 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Current assets</b>			
Cash and cash equivalents	9	10,992	9,013
Investments		78,960	73,103
Receivables	10	2,618	1,977
<b>Total current assets</b>		<b>92,570</b>	<b>84,093</b>
<b>Non-current assets</b>			
Plant and equipment	11	35	549
Intangible assets	12	728	-
Investments		100,305	94,452
<b>Total non-current assets</b>		<b>101,068</b>	<b>95,001</b>
<b>Total assets</b>		<b>193,638</b>	<b>179,094</b>
<b>Current liabilities</b>			
Security bonds lodged	14	76,890	71,408
Payables	15	1,108	1,016
<b>Total current liabilities</b>		<b>77,998</b>	<b>72,424</b>
<b>Non-current liabilities</b>			
Security bonds lodged	14	88,049	86,325
<b>Total non-current liabilities</b>		<b>88,049</b>	<b>86,325</b>
<b>Total liabilities</b>		<b>166,047</b>	<b>158,749</b>
<b>Net assets</b>		<b>27,591</b>	<b>20,345</b>
<b>Equity</b>			
Investments market value reserve		8,647	2,795
Asset revaluation surplus		56	56
Retained earnings		18,888	17,494
<b>Total equity</b>		<b>27,591</b>	<b>20,345</b>
Unrecognised contractual commitments	17		
Contingent assets and liabilities	17		

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 2014

	Note No.	Investment Market Value Reserve	Asset revaluation surplus	Retained earnings	Total
		\$'000	\$'000	\$'000	\$'000
<b>Balance at 30 June 2012</b>		<b>( 2,991 )</b>	<b>56</b>	<b>15,683</b>	<b>12,748</b>
<b>Net result for 2012-13</b>		-	-	<b>1,353</b>	<b>1,353</b>
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
Prior period adjustments to equity	2(o)	-	-	458	458
<b>Restated Balance as at 30 June 2013</b>		<b>2,795</b>	<b>56</b>	<b>17,494</b>	<b>20,345</b>
Net result for 2013-14		-	-	1,394	1,394
Gains taken to equity		5,852	-	-	5,852
Total comprehensive result 2013-14		5,852	-	1,394	7,246
<b>Balance at 30 June 2014</b>		<b>8,647</b>	<b>56</b>	<b>18,888</b>	<b>27,591</b>

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 2014

	Note No.	2014 Inflows (Outflows) \$'000	2013 Inflows (Outflows) \$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Bond lodgements		83,927	83,329
Bond guarantee receipts		7,328	6,916
Investment & Interest receipts		1,129	1,368
Other receipts		35	59
<b>Cash generated from operations</b>		<b>92,419</b>	<b>91,672</b>
<b>Cash outflows</b>			
Bond refunds		( 76,887 )	( 71,420 )
Bond guarantee payments		( 7,153 )	( 6,901 )
Employee benefit payment		( 4,105 )	( 4,652 )
Accommodation payments		( 715 )	( 822 )
Other payments		( 1,248 )	( 1,543 )
<b>Cash used in operations</b>		<b>( 90,108 )</b>	<b>( 85,338 )</b>
<b>Net cash provided by operating activities</b>	16	<b>2,311</b>	<b>6,334</b>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Purchases for property, plant and equipment		( 332 )	( 168 )
Purchases for investments		-	( 12,000 )
<b>Cash used in investing activities</b>		<b>( 332 )</b>	<b>( 12,168 )</b>
<b>Net cash used in investing activities</b>		<b>( 332 )</b>	<b>( 12,168 )</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>1,979</b>	<b>( 5,834 )</b>
Cash and cash equivalents at the beginning of the financial year		9,013	14,847
<b>Cash and cash equivalents at the end of the financial year</b>	9	<b>10,992</b>	<b>9,013</b>

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 section 100(4) of the Act. Fund assets mainly represent the investment of security bonds received in accordance with section 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 2014. 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:
  - 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. These are outlined in Note 21;
  - 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 2014 and the comparative information presented.

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### 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.

### 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.

The following are specific recognition criteria:

#### *Investment & Interest revenue*

Investment revenue includes income earned on the Funds accounts held with the Public Trustee.

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.

### 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.

The following are specific recognition criteria:

#### *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.

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

*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.

*Depreciation and amortisation*

All non-current assets, having a limited useful life, are systematically depreciated or amortised over their useful lives in a manner that reflects the consumption of their service potential. Amortisation is used in relation to intangible assets such as software, while 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/amortisation 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
Intangible Assets	1-10

**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 2014 the Fund held investments in common funds in the following proportions:

Capital Stable	25.47%
Balanced	30.48%
Cash Common Fund	44.05%

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.

The fair value of assets traded in active markets are based on quoted market prices for identical assets at balance date.

### *Non-Current Assets Acquisition and Recognition*

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, any incidental cost involved with the acquisition. Non-current assets are subsequently measured 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.

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.

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### *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.

### *Intangible assets*

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. The Department only has intangible assets with finite lives. The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition criteria (identifiability, control and the existence of future economic benefits) and recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of expenditure is greater than or equal to \$10,000.

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 are expensed.

Subsequent expenditure on intangible assets has not been capitalised. This is because the Department has been unable to attribute this expenditure to the intangible asset rather than to the Department as a whole.

### *Fair value measurement*

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

The Fund classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in the making the measurements, based on the data and assumptions used in the most recent revaluation.

Level 1 - traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2 - not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.

Level 3 - not traded in an active market and are derived from unobservable inputs.

### *Non-financial assets*

In determining fair value, the Fund has taken into account the characteristic of the asset (eg. condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The Fund's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible within the next five years. As the Fund did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets with a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years' are deemed to approximate fair value.

Refer to note 11A and 13 for disclosure regarding fair value measurement techniques and inputs to develop fair value measurements for non financial assets.

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

**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.

*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 2014 is \$43.9 million (\$38.3 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**

Adjustments have been made relating to 2012-13 transactions that were not recorded in the 2012-13 financial statements. This amounts to \$500,000 and has been disclosed as a prior period adjustment to equity in the Statement of Changes in Equity. This relates to \$500,000 of software for Residential Tenancies Fund refer to note 12A.

In addition, 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 net effect of these two adjustments is \$458,000.

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### 3. New and revised accounting standards and policies

The fund did not voluntarily change any of its accounting policies during 2013-14.

In accordance with the new AASB 13 *Fair value measurement*, which became effective for the first time in 2013-14, the Fund has:

- reviewed its fair valuation techniques (both internal estimates and independent valuation appraisal) for non-financial assets to ensure they are consistent with the standard. Previously, the Fund has used the cost approach or the market approach to determine fair value. The Fund will continue to measure its non-financial assets using either the cost or market approach. The application of AASB 13 has not had a material impact on the fair value measurement; and
- included additional disclosures where required to assist users in assessing the valuation techniques and inputs used to ascertain fair value measurements used for asset and liability measurements.

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 2014. An assessment has been undertaken of the impact of the new and amended standards and interpretations and it is considered there will be no impact on the accounting policies or the financial statements of the Fund.

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

**4. Investment & Interest revenue**

	2014	2013
	\$'000	\$'000
Distribution on Investments held with Public Trustee	3,365	3,138
Interest on Investments held with Public Trustee	2,352	2,740
Interest on deposits with Housing SA	1,136	1,130
Interest on deposits with the Dept of Treasury and Finance	196	205
<b>Total investment &amp; interest revenue</b>	<b>7,049</b>	<b>7,213</b>

**5. Other income**

	2014	2013
	\$'000	\$'000
Management fee recovery	482	443
Sundry recovery	35	70
<b>Total other income</b>	<b>517</b>	<b>513</b>

**6. Employee benefits expenses**

	2014	2013
	\$'000	\$'000
Salaries and wages	3,818	3,283
Employee on-costs - payroll tax and superannuation	591	526
Other	93	75
<b>Total employee benefits expenses</b>	<b>4,502</b>	<b>3,884</b>

**7. Depreciation and amortisation expenses**

	2014	2013
	\$'000	\$'000
Leasehold improvements	11	11
Plant and equipment	4	5
<b>Total depreciation and amortisation expenses</b>	<b>15</b>	<b>16</b>

**8. Other expenses**

	2014	2013
	\$'000	\$'000
Administration (incl. audit fees)	652	1,358
Information and communications technology	203	208
Legal fees	2	117
Travel	6	5
Other	-	8
<b>Total other expenses</b>	<b>863</b>	<b>1,696</b>

**9. Cash and cash equivalents**

	2014	2013
	\$'000	\$'000
Deposits with Treasurer	10,992	9,013
<b>Total cash and cash equivalents</b>	<b>10,992</b>	<b>9,013</b>

**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.



**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

**10. Receivables**

	2014	2013
	\$'000	\$'000
Accrued interest	2,490	1,945
Other	128	32
<b>Total receivables</b>	<b>2,618</b>	<b>1,977</b>

- a) Maturity analysis of receivables - Refer to table in note 20  
b) Categorisation of financial instruments and risk exposure information - Refer to note 20

**11A. Plant and equipment**

	2014	2013
	\$'000	\$'000
Leasehold improvements		
Leasehold improvements at valuation	373	373
Accumulated amortisation	(338)	(328)
<b>Total leasehold improvements</b>	<b>35</b>	<b>45</b>
Plant and equipment <sup>(1)</sup>		
Plant and equipment at cost (deemed fair value)	129	129
Accumulated depreciation	(129)	(125)
<b>Total Plant and equipment</b>	<b>-</b>	<b>4</b>
Information technology		
Information technology at cost (deemed fair value)	293	293
Accumulated depreciation	(293)	(293)
<b>Total information technology</b>	<b>-</b>	<b>-</b>
Capital work in progress		
Capital work in progress at cost	-	500
<b>Total capital work in progress</b>	<b>-</b>	<b>500</b>
<b>Total property, plant and equipment</b>	<b>35</b>	<b>549</b>

(1) There were no indications of impairment of plant and equipment at 30 June 2014

**11B. Plant and equipment movement schedule**

	Leasehold Improvements \$'000	Information Technology \$'000	Plant and Equipment \$'000	Capital work in progress \$'000	Total \$'000
<b>Carrying amount 1 July 2013</b>	45	-	4	500	549
Depreciation	(11)	-	(4)	-	(15)
Transfer to (from) work in progress	-	-	-	(500)	(500)
Other change	1	-	-	-	1
<b>Carrying amount 30 June 2014</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35</b>

	Leasehold Improvements \$'000	Information Technology \$'000	Plant and Equipment \$'000	Capital work in progress \$'000	Total \$'000
<b>Carrying amount 1 July 2012</b>	56	-	9	168	233
Transfer in from other entity	-	-	-	332	332
Depreciation	(11)	-	(5)	-	(16)
<b>Carrying amount 30 June 2013</b>	<b>45</b>	<b>-</b>	<b>4</b>	<b>500</b>	<b>549</b>

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

**12A. Intangible assets**

	2014	2013
	\$'000	\$'000
Intangible assets		
Intangible assets at cost	728	-
Accumulated amortisation	-	-
<b>Total intangible assets</b>	<b>728</b>	<b>-</b>

**12B. Intangible assets movement schedule**

	Intangible assets \$'000	Total \$'000
<b>Carrying amount 1 July 2013</b>	-	-
Transfer in from other entity	228	228
Depreciation	-	-
Transfer from (to) work in progress	500	500
<b>Carrying amount 30 June 2014</b>	<b>728</b>	<b>728</b>

	Intangible assets \$'000	Total \$'000
<b>Carrying amount 1 July 2012</b>	-	-
Addition	-	-
Transfer in from other entity	-	-
Depreciation	-	-
Transfer from (to) work in progress	-	-
<b>Carrying amount 30 June 2013</b>	<b>-</b>	<b>-</b>

**13. Fair Value Measurement**

**Fair Value Hierarchy**

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The department categorises non-financial assets measured at fair value into hierarchy based on the level of inputs use in measurement.

Fair value measurements recognised in the balance sheet are categorised into the following levels at 30 June 2014.

	Level 3 \$'000	2014 \$'000
<b>Recurring Fair value measurements at 30 June 2014</b>		
Leasehold improvements (note 11A)	35	35
Plant and Equipment (note 11A)	-	-
Information technology (note 11A)	-	-
<b>Total recurring fair value measurements</b>	<b>35</b>	<b>35</b>

Comparative information for non-financial assets has not been provided as permitted by the transitional provisions of the new standard.

There were no transfers of assets between level 1 and 2 fair value hierarchy levels in 2014. The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

**Valuation techniques and inputs**

Valuation techniques used to derive level 2 and 3 fair values are at note 3. Although unobservable inputs were used in determining fair value, and are subjective, the department considers that the overall valuation would not be materially affected by changes to the existing assumptions. There were no changes in valuation techniques during 2014. The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

The following table summaries the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement.

Description	Fair value at 30 June 2014	Valuation technique	Unobservable input	Range of Inputs	Years
	\$'000			\$/per unit of area	
<b>Leasehold improvements</b>	35	Depreciated replacement cost (DRC) <sup>1</sup>	Current market replacement cost/useful life	500-1500	life of lease
<b>Plant and Equipment</b>	-	Depreciated replacement cost (DRC)	Current market replacement cost/useful life	Original Equipment Manufacturer (OEM) model configuration/location/purchase date	1 - 16
<b>Information technology</b>	-	Depreciated replacement cost (DRC)	Current market replacement cost/useful life	OEM model configuration/location/purchase date	3 - 12

<sup>1</sup>Due to the nature of the asset, the fair value was determined using depreciated replacement cost approach. Key assumptions were the assessed remaining life, rate of consumption, location and application purpose of the assets.

**Reconciliation of fair value measurements - Level 3**

	Leasehold Improvements	Information Technology	Plant and Equipment	Total
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at 1 July 2013</b>	45	-	4	49
Other change	1	-	-	1
<b>Subtotal</b>	<b>46</b>	<b>-</b>	<b>4</b>	<b>50</b>
<b>Gain/(losses) for the period recognised in net result:</b>				
Depreciation	(11)	-	(4)	(15)
<b>Subtotal</b>	<b>(11)</b>	<b>-</b>	<b>(4)</b>	<b>(15)</b>
<b>Closing balance at 30 June 2014</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>35</b>

The gains/(losses) in operating result include changes in unrealised gains/(losses) for assets still held at the end of the reporting period. The amounts of these changes included in the various line items are as follows:

Depreciation	(11)	-	(4)	(15)
--------------	------	---	-----	------

**14. Security bonds lodged**

	2014	2013
	\$'000	\$'000
<b>Current</b>		
Bonds lodged	76,875	71,393
Sale of goods	12	12
Rent held pursuant to Tribunal direction	3	3
<b>Total current security bonds lodged</b>	<b>76,890</b>	<b>71,408</b>
<b>Non Current</b>		
Bonds lodged	88,049	86,325
<b>Total non-current security bonds lodged</b>	<b>88,049</b>	<b>86,325</b>
<b>Total security bonds lodged</b>	<b>164,939</b>	<b>157,733</b>

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

**15. Payables**

	2014	2013
	\$'000	\$'000
Creditors	938	951
Accrued Expenses	20	18
Guarantee release	150	47
<b>Total payables</b>	<b>1,108</b>	<b>1,016</b>

**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 20

b) Categorisation of financial instruments and risk exposure information - Refer to note 20

**16. Cash flow reconciliation**

	2014	2013
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period:</b>		
Balance as per the Statement of Cash Flows	10,992	9,013
Cash and cash equivalents disclosed in the Statement of Financial Position	10,992	9,013
<b>Reconciliation of net cash provided by operating activities to net result</b>		
Net cash provided by (used in) operating activities	2,311	6,334
<b>Add/less non cash items</b>		
Depreciation expense of non current assets	(15)	(16)
Equity movements	-	42
<b>Movement in assets and liabilities</b>		
Increase / ( decrease) in receivables	673	(355)
Increase / ( decrease) in investments	5,857	6,640
(Decrease) increase in payables	(243)	617
(Increase) in security bonds	(7,189)	(11,909)
<b>Net result</b>	<b>1,394</b>	<b>1,353</b>

**17. 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 other contingent assets, other than the bond guarantees from Housing SA as disclosed in note 2(k).

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 contingent interest liability as at 30 June 2014 is \$111,000 (2013 - \$113,000).

**18. Auditor's Remuneration**

	2014	2013
	\$'000	\$'000
Audit Fees paid/payable to the Auditor-General's Department relating to the audit of the financial statements <sup>(1)</sup>	20	26
<b>Total auditor's remuneration</b>	<b>20</b>	<b>26</b>

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

**Other Services**

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

OR

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### 19. Remuneration of Board and Committee members

Members that were entitled to receive remuneration for membership during the 2013-14 financial year were

#### Residential Tenancies Tribunal

M S Alvino  
H J Anderson  
S W Andrew (Exp: 30/06/2014)  
P V Carey  
P J Duffy  
J S Dunstone  
I W Garnham  
S Georgiadis  
B E Johns  
P K Mickan  
T M Rymill (Exp: 30/06/2014)  
G N Twohig  
R T Vincent  
J Barnes (Apt: 01/07/13)  
M Radin (Apt: 01/07/13)  
J Bakas (Apt: 01/07/13)  
S J G Thomas (Apt: 01/07/13)

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

	2014	2013
\$0 - \$9 999	3	2
\$20 000 - \$29 999	1	1
\$30 000 - \$39 999	1	1
\$40 000 - \$49 999	1	-
\$50 000 - \$59 999	1	1
\$60 000 - \$69 999	5	3
\$70 000 - \$79 999	2	1
\$80 000 - \$89 999	-	1
\$100 000 - \$109 999	1	-
\$110 000 - \$119 999	-	1
\$120 000 - \$129 999	-	1
\$140 000 - \$149 999	1	-
\$180 000 - \$189 999	-	1
\$210 000 - \$219 999	-	1
\$270 000 - \$279 999	1	-
<b>Total number of members</b>	<b>17</b>	<b>14</b>

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 \$1.17 million (\$1.01 million).

Amounts paid to a superannuation plan for board/committee members was \$102,000 (\$116,000).

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

### 20. 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.

Category of financial assets and financial liabilities	Statement of Financial position line item	Note	Carrying amount 2014 \$'000	Fair value 2014 \$'000	Carrying amount 2013 \$'000	Fair value 2013 \$'000
<b>Financial assets</b>						
Cash & cash equivalents	Cash & cash equivalents	9	10,992	10,992	9,013	9,013
Available for sale Investments	Investments		179,265	179,265	167,555	167,555
Receivables <sup>(1)</sup>	Receivables <sup>(1)</sup>	10	2,618	2,618	1,977	1,977
<b>Financial liabilities</b>						
Payables <sup>(1)</sup>	Payables <sup>(1)</sup>	15	1,088	1,088	998	998
Security bond lodged	Other financial liabilities	14	164,939	164,939	157,733	157,733

#### 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 \$179.3 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.

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

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)
<b>2014</b>				
<b>Financial assets</b>				
Cash & cash equivalents	10,992	10,992	-	-
Investments	179,265	78,960	100,305	-
Receivables <sup>(1)</sup>	2,618	2,618	-	-
Other financial assets	-	-	-	-
<b>Total Financial assets</b>	<b>192,875</b>	<b>92,570</b>	<b>100,305</b>	-
<b>Financial liabilities</b>				
Payables <sup>(1)</sup>	1,088	1,088	-	-
Other financial liabilities	164,939	76,890	88,049	-
<b>Total Financial liabilities</b>	<b>166,027</b>	<b>77,978</b>	<b>88,049</b>	-

	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
<b>2013</b>				
<b>Financial assets</b>				
Cash & cash equivalents	9,013	9,013	-	-
Investments	167,555	73,103	94,452	-
Receivables <sup>(1)</sup>	1,977	1,977	-	-
Other financial assets	-	-	-	-
<b>Total Financial assets</b>	<b>178,545</b>	<b>84,093</b>	<b>94,452</b>	-
<b>Financial liabilities</b>				
Payables <sup>(1)</sup>	998	998	-	-
Other financial liabilities	157,733	71,408	86,325	-
<b>Total Financial liabilities</b>	<b>158,731</b>	<b>72,406</b>	<b>86,325</b>	-

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

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.

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

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)
<b>2014</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	10,992	(110)	110	-	-
Investments	179,265	-	-	(1,793)	1,793
<b>Total increase/(decrease)</b>		<b>(110)</b>	<b>110</b>	<b>(1,793)</b>	<b>1,793</b>
<b>2013</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	9,013	(90)	90	-	-
Investments	167,555	-	-	(1,676)	1,676
<b>Total increase/(decrease)</b>		<b>(90)</b>	<b>90</b>	<b>(1,676)</b>	<b>1,676</b>

**21. 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.

	2014 \$'000	2013 \$'000
<b>Income</b>		
Investment & Interest revenue	7,049	7,213
Other Income	482	454
<b>Total income</b>	<b>7,531</b>	<b>7,667</b>
<b>Expenses</b>		
Employee benefits expenses	4,502	3,884
Accommodation	792	777
Other expenses	863	1,696
<b>Total expenses</b>	<b>6,157</b>	<b>6,357</b>
<b>Financial assets</b>		
Cash and cash equivalents	10,992	9,013
Receivables	2,618	1,977
Investments	179,265	167,555
<b>Total financial assets</b>	<b>192,875</b>	<b>178,545</b>
<b>Financial liabilities</b>		
Payables	1,108	1,016
<b>Total financial liabilities</b>	<b>1,108</b>	<b>1,016</b>

**22. Events after reporting period**

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



**SECOND HAND VEHICLES COMPENSATION FUND**

**Annual Financial Statements**

**For the year ended 30 June 2014  
As at 30 June 2014**

## SECOND HAND VEHICLES COMPENSATION FUND

### Certification of the Financial Statements

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

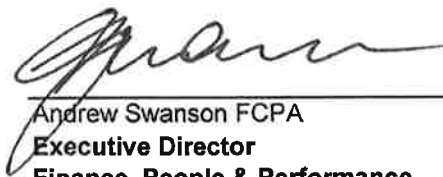
- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the Fund; and
- present a true and fair view of the financial position of the Second Hand Vehicles Compensation Fund as at 30 June 2014 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.



Dini Soulio  
**Commissioner for Consumer Affairs**

Date: 3/11/14



Andrew Swanson FCPA  
**Executive Director  
Finance, People & Performance  
Attorney-General's Department**

Date: 3/11/14



Jacob Bonnici  
**Business Manager, Business Services  
Consumer and Business Services**

Date: 3/11/14

## SECOND HAND VEHICLES COMPENSATION FUND STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Income</b>			
Contribution by licensees		305	307
Interest and investment revenue	4	170	190
Other income	5	10	10
<b>Total income</b>		<b>485</b>	<b>507</b>
<b>Expenses</b>			
Administration	6	404	360
Claims	7	24	23
Other expenses	8	8	6
<b>Total expenses</b>		<b>436</b>	<b>389</b>
<b>Net result</b>		<b>49</b>	<b>118</b>
<b>Other Comprehensive Income</b>			
<i>Items that will be reclassified subsequently to net result when specific conditions are met</i>			
Market value movement of investments		118	128
<b>Total other comprehensive income</b>		<b>118</b>	<b>128</b>
<b>Total comprehensive result</b>		<b>167</b>	<b>246</b>

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 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Current assets</b>			
Cash and cash equivalents	10	2,423	2,484
Investments	11	1,875	1,764
Receivables	12	43	57
<b>Total current assets</b>		<b>4,341</b>	<b>4,305</b>
<b>Non-current assets</b>			
Investments	11	1,607	1,489
<b>Total non-current assets</b>		<b>1,607</b>	<b>1,489</b>
<b>Total assets</b>		<b>5,948</b>	<b>5,794</b>
<b>Current liabilities</b>			
Payables	13	5	18
<b>Total current liabilities</b>		<b>5</b>	<b>18</b>
<b>Total liabilities</b>		<b>5</b>	<b>18</b>
<b>Net Assets</b>		<b>5,943</b>	<b>5,776</b>
<b>Equity</b>			
Retained earnings		5,814	5,765
Investments market value reserve		129	11
<b>Total Equity</b>		<b>5,943</b>	<b>5,776</b>
Contingent assets and liabilities	14		
Unrecognised contractual commitments	14		

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 2014

	Investments market value reserve \$'000	Retained earnings \$'000	Total \$'000
Balance at 30 June 2012	( 117 )	5,647	5,530
<b>Net result for 2012-13</b>	-	<b>118</b>	<b>118</b>
Gains taken to equity	128	-	128
<b>Total comprehensive result for 2012-13</b>	<b>128</b>	<b>118</b>	<b>246</b>
<b>Balance at 30 June 2013</b>	<b>11</b>	<b>5,765</b>	<b>5,776</b>
<b>Net result for 2013-14</b>	-	<b>49</b>	<b>49</b>
Gains taken to equity	118	-	118
<b>Total comprehensive result for 2013-14</b>	<b>118</b>	<b>49</b>	<b>167</b>
<b>Balance at 30 June 2014</b>	<b>129</b>	<b>5,814</b>	<b>5,943</b>

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 2014

	Note No.	2014 Inflows (Outflows) \$'000	2013 Inflows (Outflows) \$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Contribution by licensees		305	307
Interest and investment receipts		61	79
Other receipts		22	2
<b>Cash generated from operations</b>		<b>388</b>	<b>388</b>
<b>Cash outflows</b>			
Administration		( 404 )	( 382 )
Claims		( 36 )	( 11 )
Other payments		( 9 )	( 5 )
<b>Cash used in operations</b>		<b>( 449 )</b>	<b>( 398 )</b>
<b>Net cash used in operating activities</b>	15	<b>( 61 )</b>	<b>( 10 )</b>
<b>Net decrease in cash and cash equivalents</b>		<b>( 61 )</b>	<b>( 10 )</b>
Cash and cash equivalents at the beginning of the period		2,484	2,494
<b>Cash and cash equivalents at the end of the period</b>	10	<b>2,423</b>	<b>2,484</b>

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

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**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. The accounts have been prepared in accordance with relevant Australian Accounting Standards and comply with 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 2014. 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 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;
- 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. These are outlined in note 17.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

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 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 2014 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 have 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.



**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

The following are specific recognition criteria:

*Contribution by licensees*

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

*Interest and investment revenue*

Interest and investment revenue includes interest earned on the Fund's accounts held with the Department of Treasury and Finance and Public Trustee interest and distributions.

**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.

The following are specific recognition criteria:

*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.

*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.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

*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 2014 the Fund held investments in common funds in the following proportions:

Cash	53.84%
Balanced Investment Strategy	46.16%

Investments are measured at fair value in accordance with unit prices at balance date as advised by the Public Trustee.

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 investments market value reserve.

*Financial assets*

The fair value of assets traded in active markets are based on quoted market prices for identical assets at balance date.

Refer to Note 11 and 16 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurement for financial assets.

**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.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

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 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.

**Note 3 New and revised accounting standards and policies**

The Fund did not voluntarily change any of its accounting policies during 2013-14.

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 2014. 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.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**Note 4 Interest and investment revenue**

	2014	2013
	\$'000	\$'000
Interest from the Department of Treasury and Finance	59	77
Interest from Public Trustee investments	56	66
Distributions from Public Trustee investments	55	47
<b>Total interest and investment revenue</b>	<b>170</b>	<b>190</b>

**Note 5 Other income**

	2014	2013
	\$'000	\$'000
Management fee recovery	9	9
Sundry recovery	1	1
<b>Total other income</b>	<b>10</b>	<b>10</b>

**Note 6 Administration**

	2014	2013
	\$'000	\$'000
Administration expenses	404	360
<b>Total administration expenses</b>	<b>404</b>	<b>360</b>

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

**Note 7 Claims**

	2014	2013
	\$'000	\$'000
Claim expenses	24	23
<b>Total claim expenses</b>	<b>24</b>	<b>23</b>

Claim expenses to settle valid unsatisfied claims against 2 (2013 - 3) second hand vehicle dealer(s).

**Note 8 Other Expenses**

	2014	2013
	\$'000	\$'000
Other (incl. audit fees)	8	6
<b>Total other expenses</b>	<b>8</b>	<b>6</b>

**Note 9 Auditor's Remuneration**

	2014	2013
	\$'000	\$'000
Audit Fees paid/payable to the Auditor-General's Department relating to the audit of the financial statements	5	5
<b>Total audit fees</b>	<b>5</b>	<b>5</b>

**Other services**

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

Auditor's remuneration costs are recognised in the Statement of Comprehensive Income and included in the balance of other expenses (refer to note 8).

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**Note 10 Cash and cash equivalents**

	2014	2013
	\$'000	\$'000
Deposits with the Treasurer	2,423	2,484
<b>Total cash and cash equivalents</b>	<b>2,423</b>	<b>2,484</b>

**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.

**Note 11 Investments**

	2014	2013
	\$'000	\$'000
<b>Current</b>		
Funds invested with the Public Trustee	1,875	1,764
<b>Total current investments</b>	<b>1,875</b>	<b>1,764</b>
<b>Non-Current</b>		
Funds invested with the Public Trustee	1,607	1,489
<b>Total non-current investments</b>	<b>1,607</b>	<b>1,489</b>
<b>Total investments</b>	<b>3,482</b>	<b>3,253</b>

**Valuation of Investments**

Investments are measured at fair value in accordance with unit prices at balance date as advised by the Public Trustee.

**Note 12 Receivables**

	2014	2013
	\$'000	\$'000
Accrued interest	43	36
Other	-	21
<b>Total receivables</b>	<b>43</b>	<b>57</b>

- a) Maturity analysis of receivables - Refer to table in note 16.  
b) Categorisation of financial instruments and risk exposure information - Refer to note 16.

**Note 13 Payables**

	2014	2013
	\$'000	\$'000
Creditors	-	13
Accrued Expenses	5	5
<b>Total payables</b>	<b>5</b>	<b>18</b>

**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 16.  
b) Categorisation of financial instruments and risk exposure information - Refer to note 16.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**Note 14 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.

**Note 15 Cash flow reconciliation**

	2014	2013
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period:</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	2,423	2,484
Balance as per the Statement of Cash Flows	2,423	2,484
<b>Reconciliation of net cash provided by operating activities to net result:</b>		
Net cash used in operating activities	(61)	(10)
<b>Movement in assets and liabilities</b>		
Increase / (decrease) in receivables	(14)	9
Increase / (decrease) in current investments	111	132
(Increase) / decrease in payables	13	(13)
<b>Net result</b>	<b>49</b>	<b>118</b>

**Note 16 Financial Instruments/Financial Risk Management**

**(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.

Category of financial asset and financial liabilities	Statement of Financial Position line item	Note	Carrying amount 2014 \$'000	Fair value 2014 \$'000	Carrying amount 2013 \$'000	Fair value 2013 \$'000
<b>Financial assets</b>						
Cash and cash equivalents	Cash and cash equivalents	10	2,423	2,423	2,484	2,484
Available for sale investments	Investments	11	3,482	3,482	3,253	3,253
Receivables	Receivables <sup>(1)</sup>	12	43	43	57	57
	<b>Total financial assets at cost</b>		<b>5,948</b>	<b>5,948</b>	<b>5,794</b>	<b>5,794</b>
<b>Financial liabilities</b>						
Financial liabilities at cost	Payables <sup>(1)</sup>	13	-	-	13	13
	<b>Total financial liabilities at cost</b>		<b>-</b>	<b>-</b>	<b>13</b>	<b>13</b>

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. audit fees payable to the Auditor-General's Department etc.). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, Commonwealth tax etc. they would be excluded from the disclosure. The standard defines contract as enforceable by law.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**Fair Value**

**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 \$3.48 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 experience 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.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**(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)
<b>2014</b>				
<b>Financial assets</b>				
Cash & cash equivalents	2,423	2,423	-	-
Investments	3,482	1,875	1,607	-
Receivables <sup>(1)</sup>	43	43	-	-
Other financial assets	-	-	-	-
<b>Total financial assets</b>	<b>5,948</b>	<b>4,341</b>	<b>1,607</b>	<b>-</b>
<b>Financial liabilities</b>				
Payables <sup>(1)</sup>	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(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.



**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

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%	1%	-1%	1%
		Net Result (\$'000)	Net Result (\$'000)	Equity (\$'000)	Equity (\$'000)
<b>2014</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	2,423	(24)	24	-	-
Investments	3,482	-	-	(35)	35
<b>Total increase/(decrease)</b>		<b>(24)</b>	<b>24</b>	<b>(35)</b>	<b>35</b>
<b>2013</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	2,484	(25)	25	-	-
Investments	3,253	-	-	(33)	33
<b>Total increase/(decrease)</b>		<b>(25)</b>	<b>25</b>	<b>(33)</b>	<b>33</b>

**Note 17 Transactions with SA Government**

The following table discloses income, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

	SA Government	
	2014 \$'000	2013 \$'000
<b>Income</b>		
Interest and investment revenue	170	190
Other income	9	9
<b>Total income</b>	<b>179</b>	<b>199</b>
<b>Expenses</b>		
Administration	404	360
Other expenses	7	5
<b>Total expenses</b>	<b>411</b>	<b>365</b>
<b>Assets</b>		
Cash and cash equivalents	2,423	2,484
Investments	3,482	3,253
Receivables	43	57
<b>Total assets</b>	<b>5,948</b>	<b>5,794</b>
<b>Liabilities</b>		
Payables	5	5
<b>Total liabilities</b>	<b>5</b>	<b>5</b>

**Note 18 Events after reporting period**

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



**AGENTS INDEMNITY FUND**

**Annual Financial Statements**

**For the year ended 30 June 2014**

---

## AGENTS INDEMNITY FUND

### Certification of the Financial Statements

We certify that the attached general purpose financial statements for the Agents 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 Agents Indemnity Fund as at 30 June 2014 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.



Dini Soulio  
Commissioner for Consumer Affairs

Date: 3/11/14



Andrew Swanson FCPA  
Executive Director, Finance, People & Performance  
Attorney-General's Department

Date: 3/11/14



Jacob Bonnici  
Business Manager, Business Services  
Consumer and Business Services

Date: 3/11/14

**AGENTS INDEMNITY FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**  
For the year ended 30 June 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Income</b>			
Interest & investment revenues	4	8,298	8,622
Other income	5	144	134
<b>Total income</b>		<b>8,442</b>	<b>8,756</b>
<b>Expenses</b>			
Administration costs	6	417	310
Grants		625	236
Claims costs	7	-	115
Professional costs	8	40	3
Other expenses	9	114	55
<b>Total expenses</b>		<b>1,196</b>	<b>719</b>
<b>Net result</b>		<b>7,246</b>	<b>8,037</b>
<b>Other Comprehensive Income</b>			
<i>Items that will be reclassified subsequently to net result when specific conditions are met:</i>			
Market value movement of investments		1,913	2,079
<b>Total other comprehensive result</b>		<b>1,913</b>	<b>2,079</b>
<b>Total comprehensive result</b>		<b>9,159</b>	<b>10,116</b>

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

**AGENTS INDEMNITY FUND**  
**STATEMENT OF FINANCIAL POSITION**  
For the year ended 30 June 2014

	Note No.	2014 \$'000	2013 \$'000
<b>Current assets</b>			
Cash and cash equivalents	10	65,750	60,484
Investments	11	26,187	24,529
Receivables	12	1,592	1,347
<b>Total current assets</b>		<b>93,529</b>	<b>86,360</b>
<b>Non-current assets</b>			
Investments	11	26,083	24,170
<b>Total non-current assets</b>		<b>26,083</b>	<b>24,170</b>
<b>Total assets</b>		<b>119,612</b>	<b>110,530</b>
<b>Current liabilities</b>			
Payables	13	8	85
<b>Total current liabilities</b>		<b>8</b>	<b>85</b>
<b>Total liabilities</b>		<b>8</b>	<b>85</b>
<b>Net assets</b>		<b>119,604</b>	<b>110,445</b>
<b>Equity</b>			
Investment market value reserve		3,848	1,935
Retained earnings		115,756	108,510
<b>Total equity</b>		<b>119,604</b>	<b>110,445</b>

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

Unrecognised contractual commitments	15
Contingent assets and liabilities	15

**AGENTS INDEMNITY FUND**  
**STATEMENT OF CHANGES IN EQUITY**

For the year ended 30 June 2014

	Note No.	Investment market value reserve \$'000	Retained earnings \$'000	Total \$'000
<b>Balance at 30 June 2012</b>		( 144 )	100,473	100,329
Net result for 2012-13		-	8,037	8,037
Gain taken to equity		2,079	-	2,079
Total comprehensive result for 2012-13		2,079	8,037	10,116
<b>Balance at 30 June 2013</b>		1,935	108,510	110,445
Net result for 2013-14		-	7,246	7,246
Gain taken to equity		1,913	-	1,913
Total comprehensive result for 2013-14		1,913	7,246	9,159
<b>Balance at 30 June 2014</b>		3,848	115,756	119,604

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 2014

	Note No.	2014 Inflows (Outflows)	2013 Inflows (Outflows)
		\$'000	\$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Interest and investment receipts		6,535	7,222
Other receipts		4	4
<b>Cash generated from operations</b>		<b>6,539</b>	<b>7,226</b>
<b>Cash outflows</b>			
Administration		( 417 )	( 311 )
Grants		( 624 )	( 236 )
Claims		( 78 )	( 37 )
Professional costs		( 40 )	( 3 )
Other payments		( 114 )	( 91 )
<b>Cash used in operations</b>		<b>( 1,273 )</b>	<b>( 678 )</b>
<b>Net cash provided by operating activities</b>	14	<b>5,266</b>	<b>6,548</b>
<b>Net increase in cash and cash equivalents</b>		<b>5,266</b>	<b>6,548</b>
Cash and cash equivalents at the beginning of the financial year		60,484	53,936
<b>Cash and cash equivalents at the end of the financial year</b>	10	<b>65,750</b>	<b>60,484</b>

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

## NOTES TO THE ACCOUNTS

### For the year ended 30 June 2014

#### 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 2014. Refer 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. These are outlined in Note 18.

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 2014 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 2014**

**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.

The following are specific recognition criteria:

*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.

The following are specific recognition criteria:

*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 2014

#### *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 2012-13 and 2013-14 payments were made to the Australian Institute of Conveyancers and Real Estate Institute of South Australia for these purposes.

#### *Grants*

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, 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.

#### *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 2014 the Fund held investments in common funds in the following proportions:

Balanced	49.90%
Cash Common Fund	50.10%

**NOTES TO THE ACCOUNTS**  
**For the year ended 30 June 2014**

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.

The fair value of assets traded in active markets are based on quoted market prices for identical assets at balance date.

**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**

**NOTES TO THE ACCOUNTS**  
**For the year ended 30 June 2014**

The Fund did not voluntarily change any of its accounting policies during 2013-14. 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 2014. An assessment has been undertaken of the impact of the new and amended standards and interpretations and it is considered 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 2014

<b>4. Interest &amp; investment revenues</b>		
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest from Agents & Conveyancers Trust Accounts	5,138	5,229
Interest on deposits with the Department of Treasury and Finance	1,491	1,708
Distribution from investments	886	764
Interest on investments held with Public Trustee	783	921
<b>Total Interest and investment revenues</b>	<b>8,298</b>	<b>8,622</b>

<b>5. Other income</b>		
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Management fee recovery	140	130
Sundry recovery	4	4
<b>Total Other income</b>	<b>144</b>	<b>134</b>

<b>6. Administration costs</b>		
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Administration costs *	417	310
<b>Total Administration costs</b>	<b>417</b>	<b>310</b>

\* Includes reimbursement paid to the Attorney-General's Department for the cost of administering the Fund.

<b>7. Claims costs</b>		
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Agents Indemnity Fund	-	115
<b>Total Claims</b>	<b>-</b>	<b>115</b>

<b>8. Professional costs</b>		
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Legal and other professional costs	40	3
<b>Total Professional costs</b>	<b>40</b>	<b>3</b>

<b>9. Other expenses</b>		
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Consumer and Agent Education	102	38
Other (inc.audit fees)	12	17
<b>Total Other expenses</b>	<b>114</b>	<b>55</b>

<b>10. Cash and cash equivalents</b>		
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer	65,750	60,484
<b>Total cash and cash equivalents</b>	<b>65,750</b>	<b>60,484</b>

**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.

**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**11. Investments**

	2014	2013
	\$'000	\$'000
<b>Current</b>		
Funds invested with the Public Trustee	26,187	24,529
<b>Total current investments</b>	<b>26,187</b>	<b>24,529</b>
<b>Non-Current</b>		
Funds invested with the Public Trustee	26,083	24,170
<b>Total non-current investments</b>	<b>26,083</b>	<b>24,170</b>
<b>Total investments</b>	<b>52,270</b>	<b>48,699</b>

**Valuation of Investments**

Investments are measured at fair value in accordance with unit prices at balance date as advised by the Public Trustee.

**12. Receivables**

	2014	2013
	\$'000	\$'000
Accrued interest	1,592	1,347
<b>Total receivables</b>	<b>1,592</b>	<b>1,347</b>

- a) Maturity analysis of receivables - Refer to table in note 17  
b) Categorisation of financial instruments and risk exposure information - Refer to note 17

**13. Payables**

	2014	2013
	\$'000	\$'000
Accrued expenses	8	85
<b>Total payables</b>	<b>8</b>	<b>85</b>

**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 17  
b) Categorisation of financial instruments and risk exposure information - Refer to note 17

**14. Cash flow reconciliation**

	2014	2013
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period:</b>		
Balance as per the statement of cash flows	65,750	60,484
Cash and cash equivalents disclosed in the Statement of Financial Position	65,750	60,484
<b>Reconciliation of net cash provided by operating activities to net result:</b>		
Net cash provided by ( used in ) operating activities	5,266	6,548
<b>Movement in assets and liabilities</b>		
Increase/(Decrease) in receivables	245	( 433 )
Increase/(Decrease) in investments	1,658	1,964
Increase/(Decrease) in other current assets	-	( 4 )
(Increase)/Decrease in payables	77	( 38 )
<b>Net result</b>	<b>7,246</b>	<b>8,037</b>

**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**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.

The Fund has an estimated contingent obligation to pay \$6 million relating to current and expected claims against the Fund.

**16. Auditors Remuneration**

Audit fees paid/payable to the Auditor-General's Department relating to the audit of the financial statements was \$8,100 (\$6,800). No other services were provided by the Auditor-General.

**17. 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.

Category of financial asset and financial liabilities	Statement of Financial Position line item	Note	Carrying amount 2014 \$'000	Fair value 2014 \$'000	Carrying amount 2013 \$'000	Fair value 2013 \$'000
<b>Financial assets</b>						
Cash and cash equivalents	Cash and cash equivalents	10	65,750	65,750	60,484	60,484
Available for sale investments	Investments	11	52,270	52,270	48,699	48,699
Receivables	Receivables <sup>(1)</sup>	12	1,592	1,592	1,347	1,347
	Total financial assets at cost		119,612	119,612	110,530	110,530
<b>Financial liabilities</b>						
Financial liabilities at cost	Payables <sup>(1)</sup>	13	-	-	79	79
	Total financial liabilities at cost		-	-	79	79

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. audit fees payable to the Auditor-General's Department etc.). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, Commonwealth tax etc. they would be excluded from the disclosure. The standard defines contract as enforceable by law.

**Fair Value**

**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.

**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**b Credit Risk**

At reporting date funds totalling \$52.3 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)
<b>2014</b>				
<b>Financial assets</b>				
Cash & cash equivalents	65,750	65,750	-	-
Investments	52,270	26,187	26,083	-
Receivables (1)	1,592	1,592	-	-
<b>Total Financial assets</b>	<b>119,612</b>	<b>93,529</b>	<b>26,083</b>	<b>-</b>
<b>Financial liabilities</b>				
Payables (1)	-	-	-	-
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

(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.

**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**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)
<b>2014</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	65,750	(658)	658	-	-
Investments	52,270	-	-	(523)	523
<b>Total increase/(decrease)</b>		<b>(658)</b>	<b>658</b>	<b>(523)</b>	<b>523</b>

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



**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2014

**18. 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.

	<b>SA Government</b>	
	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Income</b>		
Interest and investment	3,160	3,393
Other income	140	130
<b>Total income</b>	<b>3,300</b>	<b>3,523</b>
<b>Expenses</b>		
Administration	417	309
Other expenses	8	8
<b>Total expenses</b>	<b>425</b>	<b>317</b>
<b>Assets</b>		
Cash and cash equivalents	65,750	60,484
Receivables	748	608
Investments	52,270	48,699
<b>Total assets</b>	<b>118,768</b>	<b>109,791</b>
<b>Liabilities</b>		
Payables	8	7
<b>Total liabilities</b>	<b>8</b>	<b>7</b>

**19. Events after reporting period**

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





For more information

**Consumer and Business Services**

**Chesser House**

**91-97 Grenfell Street, Adelaide SA, 5000**

**GPO Box 1719, Adelaide SA, 5001**

**Telephone: 131 882**

**Fax: 8226 8512**

**[www.cbs.sa.gov.au](http://www.cbs.sa.gov.au)**



**Government of South Australia**  
**Attorney-General's Department**