

# CBS

# Annual

# Report

# 2014-15



# Letter of transmittal

**The Honourable John Rau MP**  
Attorney-General  
Minister for Planning

11<sup>th</sup> Floor  
45 Pirie Street  
Adelaide SA 5000

**The Honourable Gail Gago MLC**  
Minister for Business Services and Consumers

9<sup>th</sup> Floor, Terrace Towers  
178 North Terrace  
Adelaide SA 5000

Dear Attorney and Minister

## **Annual report 2014-15**

I am pleased to present my annual report for the year ended 30 June 2015.

This report is submitted in accordance with the reporting obligations contained in the legislation administered by my office.

It is required to be tabled in both Houses of Parliament within six sitting days.

Yours sincerely



**Dini Soulio**  
Commissioner for Consumer Affairs  
Commissioner for Corporate Affairs  
Commissioner for Prices  
Liquor and Gambling Commissioner

30 October 2015

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# Annual report 2014-15

This annual report summarises the activities and performance of the Commissioner for Consumer Affairs, Commissioner for Corporate Affairs, Commissioner for Prices and the Liquor and Gambling Commissioner ('the Commissioner') for 2014-15. It also reports on the Commissioner's financial results for the year and outlines the strategic focus for 2015-16.

The Commissioner is supported by Consumer and Business Services ('CBS') which is a division of the Attorney-General's Department.

This annual report and previous annual reports are available on our website at <http://www.cbs.sa.gov.au/wcm/about/>

## **Consumer and Business Services**

Chesser House  
91-97 Grenfell Street  
Adelaide SA 5000 Australia  
GPO Box 1719, Adelaide SA 5001

Telephone: 131 882  
International: +61 8 8204 8532

ABN 15 088 976 178

Office hours: 9:00am to 5:00pm  
Email: [CBSRegServices@sa.gov.au](mailto:CBSRegServices@sa.gov.au)

# 2014-15 highlights

## Created processing efficiencies

We created a new fee structure and application process for limited liquor licences with multiple applicants. We also implemented a standard set of builders' licence conditions which resulted in consistent and well-defined conditions. These new practices have reduced red tape and created significant internal processing efficiencies.

## Delivered on key legislative reforms

We implemented occupational licensing reforms to reduce red tape which will save the community over \$18 million per annum. We also commenced the suspended provisions of the residential tenancies reforms to provide further protections for residents of rooming houses and lifestyle villages. We also assisted in the review of the Codes of Practice under the *Liquor Licensing Act 1997*.

## Conducted education sessions

We conducted 63 education sessions for 4,360 South Australians about a range of tenancy and consumer matters. We also participated in 49 regular radio interviews and prepared 59 media releases for public warnings, product safety, policy changes and court outcomes. For further information on our media releases, refer to Appendix 12.

## Implemented rapid conciliations

We introduced rapid conciliations which seek to resolve consumer disputes with a trader within five working days. We have used the rapid conciliation process for 367 disputes since its inception with a 73 per cent success rate.

## Increased the use of online services

We increased the use of our online services such as online birth registrations, Live Help web chats, web-based interviews for builders' licences and online bond transactions.

## Prosecuted a number of companies and individuals for breaching the law

For example, we successfully prosecuted 'Spend a Penny' for the supply of non-compliant baby toys. The prosecution resulted in a conviction and a penalty was imposed by the Holden Hill Magistrates Court of \$3,500. 'Spend a Penny' was also ordered to pay the victims of crime levy of \$240 and prosecution costs of \$800.

We have also commenced our first civil proceedings in the Supreme Court of South Australia alleging breaches of the Australian Consumer Law.

## Proactive approach to compliance and enforcement

We have continued to take a proactive approach to compliance and enforcement by conducting regular onsite risk based inspections and taskforce operations to improve compliance with fair trade and occupational licensing legislation.

## Successfully met the increase in savings targets

We successfully met the \$0.6 million increase in our savings target for this year by identifying simple and practical ways to change the way we work without impacting on the quality and delivery of the services we provide.

# Commissioner's foreword

I am pleased to present the foreword to the annual report for 2014-15.

In July 2014, I was appointed as the Commissioner and became responsible for CBS.

CBS has undergone a five-year transformation. From structural and process reforms within the Office of Consumer and Business Affairs and the Office of the Liquor and Gambling Commissioner, to the merger of those agencies to form CBS and restructuring to form function-based, cross-skilled teams.

While the size of CBS has reduced significantly over that time, through the restructuring, process improvement and hard work of all of our staff, we now provide our services and conduct our regulatory role in a much more efficient, streamlined and proactive way.

We have continued to build upon our reputation for delivering results by implementing a significant number of legislative reforms. Key legislative reforms that we have delivered on this year include:

- reviewing policy and processes to stop dangerous offenders being able to change their names;
- introducing a revised builders licensing model that limits the number of conditions for a builder's licence; and
- commencing the suspended provisions of the *Residential Tenancies Act 1995*.

This year we also saw the transfer of the Residential Tenancies Tribunal to the South Australian Civil and Administrative Tribunal ('SACAT') on 30 March 2015. This has been a positive change for consumers and businesses. We will continue to work closely with SACAT on issues surrounding bonds.

We have spent a lot of time improving our structures and our internal processes. It is now time to make sure those changes make a real difference to our customers. This will be our focus from 2015 to 2017.

I wish to express my sincere thanks for the dedicated work of CBS staff who have made this years' successes possible.



**Dini Soulio**

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

# Consumer and Business Services

## Our profile

CBS ensures that laws affecting consumers, traders and businesses in South Australia are fairly and effectively administered by performing four key functions:

- registration services;
- legislative administration and compliance;
- licensing; and
- dispute resolution.

## Our statutory functions

Our statutory functions include:

- approving gaming machine licences;
- conciliating disputes between consumers and traders;
- conciliating and hearing disputes over gaming machine licences;
- conducting gaming machine trading rounds;
- conducting research and education programs, publishing reports and informing consumers about consumer issues;
- developing, promoting and enforcing the liquor licensing codes of practice;
- encouraging the development, promotion and enforcement of fair trading codes of practice to safeguard consumers' interests;
- enforcing consumer laws;
- ensuring that the Adelaide Casino complies with the *Casino Act 1997* and other legislation;
- giving advice on consumers and traders' rights and obligations under the *Fair Trading Act 1987* and other consumer laws;
- licensing and registering nominated traders;
- licensing bookmakers and agents and issuing permits to enable them to accept bets at racecourses and other venues;
- licensing collectors involved in collections for charitable purposes;
- licensing those involved in the conduct of lotteries;
- licensing those involved in the sale and supply of liquor;
- monitoring business activities and investigating practices that may adversely affect consumers' interests;
- producing fair trading guidelines for traders;
- registering associations, co-operatives, births, deaths and marriages; and
- scrutinising the betting operations of the SA TAB, racing clubs, bookmakers and their agents.

## Our values

CBS adopts the public sector values which are:

- Service: we proudly serve the community and Government of South Australia
- Professionalism: we strive for excellence
- Trust: we have confidence in the ability of others
- Respect: we value every individual
- Collaboration and engagement: we create solutions together
- Honesty and integrity: we act truthfully, consistently and fairly
- Courage and tenacity: we never give up
- Sustainability: we work to get the best results for current and future generations of South Australia

## Our strategic plan

Our focus next year will be guided by our strategic plan for 2015 to 2017 which is to:

- help customers get things done by being informative and responsive;
- educate the community, industry and business on their rights and obligations, and focus regulation and compliance on areas of the greatest impact;
- work with multiple industry bodies and external agencies to improve service for customers and assist in education and regulation; and
- meet changing customer needs for greater flexibility of service delivery channels, with a particular focus on online services being delivered by Government.

For further information on our corporate governance, please refer to the annual report published by the Attorney-General's Department at [www.agd.sa.gov.au](http://www.agd.sa.gov.au)



# Registration services

Registration services is responsible for registering and maintaining the particulars relating to births, deaths and marriages, Justices of the Peace, incorporated associations and co-operatives.

## Births, Deaths and Marriages

We are responsible for registering and maintaining an accurate record of all births, deaths, marriages, changes of name, adoptions and sexual reassignments that occur in South Australia.

Registration Services	Total
Birth	20073
Deaths	13544
Marriages	7975
Changes of Names	3196
Certificates issued for Births, Deaths, Marriages and Change of Name	108738

### Increase in online birth registrations

In September 2013, South Australia became the first State to provide parents with an option to complete a birth registration statement online. This option reduced processing time, cost and effort. The success of this initiative has continued and resulted in 17.3 per cent of births being registered online which has increased from last year's figure of 11 per cent.

### Permission required for an offender to change name

Previously, dangerous offenders were able to register a change of name and avoid detection as there was no system in place for Births, Deaths and Marriages to notify South Australia Police. As a result, we assisted in the amendment of the *Child Sex Offenders Registration Act 2006*. This made it an offence for a registrable offender to apply to change their name under the *Births, Deaths and Marriages Registration Act 1996* without first obtaining written permission from the Commissioner of Police.

## Justices of the Peace Services ('JPS')

We are responsible for managing the application, appointment, conduct and removal of a Justice of the Peace. We are also responsible for maintaining the South Australian Justice of the Peace Roll which is a database that contains information for approximately 7,200 Justices of the Peace around the State. This year Justices of the Peace Services received 4,995 applications for reappointment, 1,160 resignations as part of the reappointment process and reappointed 4,795 Justices of the Peace in South Australia.

## Incorporated Associations and Co-operatives

We maintain a register of incorporated associations and co-operatives. As at 30 June 2015, there were 20,309 incorporated associations and 55 co-operatives on the register. For further information, refer to Appendix 7.

# Legislative administration and compliance

Legislative administration and compliance proactively administers and ensures compliance with legislation including matters relating to liquor licensing, gambling, product safety, occupational licensing, fair trading and Australian Consumer Law.

## Liquor licensing

We are responsible for regulating and controlling the sale, supply and consumption of alcohol for the benefit of related industries and the South Australian public.

Liquor licence classes	2015	2014	2013	2012
Club	403	400	405	403
Direct Sales	483	415	433	427
Entertainment Venue	39	37	42	42
Hotel	629	618	628	626
Limited Club	891	872	845	839
Producer	1261	1225	1261	1282
Residential	198	192	203	202
Restaurant	1248	1201	1180	1159
Retail Liquor Merchant	196	194	194	191
Small Venue	50	23	2	-
Special Circumstances	614	606	625	644
Wholesale Liquor Merchant	270	279	308	349
<b>Total</b>	<b>6282</b>	<b>6062</b>	<b>6126</b>	<b>6164</b>

*Note: includes current and suspended licences but excludes limited licences*

## Codes of practice

This year we assisted in the review of the General Code of Practice ('General Code') and the Late Night Trading Code of Practice ('Late Night Code'). The review provided an opportunity to assess the impacts of the current codes, and in particular, assess the effectiveness of the Late Night Code in reducing alcohol related anti-social behaviour in the Adelaide CBD in the early hours of the morning.

The Government released its response to the Final Report on the review of the Codes of Practice. The Final Report made a total of 18 recommendations which all related to the Late Night Trading Code of Practice. Most of the recommendations were accepted by the South Australian Government. A revised Late Night Code has been drafted and will be introduced subject to a consultation process in the next financial year.

## Adelaide parklands trial dry zone

In December 2014, the State Government introduced a dry area across all of the Adelaide Parklands each day from 8pm until 11am the following day for a trial period of three months. This was administered by CBS.

The trial dry area in the Adelaide Parklands was extended to allow sufficient time to gather all necessary data and information to determine the effectiveness of the trial. This approach by the South Australian Government seeks to reduce the escalation of alcohol related anti-social behaviour in the Adelaide Parklands.

## Gambling

The Commissioner is responsible for the regulation of the South Australian gambling industry in relation to operations conducted under the *Gaming Machines Act 1992*, *Casino Act 1997*, *Authorised Betting Operations Act 2000*, including responsibility for the constant scrutiny of licensees under these Acts.

### Compliance activity

This year we conducted over 812 inspections in gaming venues consisting of 563 routine inspections and 249 thematic inspections. The inspections occurred in gaming venues located in Adelaide, the Adelaide Hills, Yorke Peninsula, the Riverland, Mount Gambier, Port Augusta, Gawler and Victor Harbor. For further information, refer to the Independent Gambling Authority's annual report.

### Improving existing regulatory and responsible gambling measures

Various provisions of the *Statutes Amendment (Gambling Reform) Act 2013* progressively come into operation between August 2013 and January 2017. The provisions aim to facilitate the implementation of gambling reforms aimed at improving existing regulatory and responsible gambling measures for gaming venues and reducing red tape.

For the changes which took effect on 1 July 2014, we implemented a 12 week education period where compliance was monitored via routine inspections but penalties were not imposed for any non-compliance detected. During the education period, we conducted routine inspections on 91 licensed venues for compliance with the new simplified in-venue signage requirements.

## Product safety

We are responsible for monitoring emerging product safety issues. This year we attended the premises of 965 traders and examined 7,547 products.

This resulted in one product line being recalled with an amended instruction booklet being provided to consumers and 46 product lines being identified as non-compliant which equates to 962 non-compliant items.

Of those 962 non-compliant items, 501 items were withdrawn and 461 items were amended and placed back on the shelf.

Of the 46 product lines identified as non-compliant, we:

- issued 13 written warnings, seven verbal warnings and one expiation notice;
- provided trader education on eight occasions;
- sent 12 no further action notices where only minor breaches were found; and
- sent two referrals to South Australia Police and the Office of the Technical Regulator.

We also successfully prosecuted 'Spend a Penny' for the supply of non-compliant baby toys. The prosecution resulted in a conviction and a penalty was imposed by the Holden Hill Magistrates Court of \$3,500. 'Spend a Penny' was also ordered to pay the victims of crime levy of \$240 and prosecution costs of \$800.

## Occupational licensing

We are responsible for various occupations and tradespersons such as builders, plumbers, gasfitters, electricians, conveyancers, land agents, sales representatives, land valuers, second-hand vehicle dealers and security and investigation agents.

We take an active role within South Australia in distributing information, encouraging industry co-regulation and educating consumers on general licensing issues.

### Reducing red tape for occupational licensing laws

In late 2013, various changes were made to occupational licensing laws as part of work undertaken by CBS to reduce red tape without reducing important consumer protections.

The majority of these changes commenced on 1 November 2014 with the remaining changes to commence next year once the regulations have been made.

## Fair trading and the Australian Consumer Law

Our proactive approach to compliance and enforcement in fair trading has been extremely successful.

We have undertaken a number of investigations and court actions against traders regarding breaches under the Australian Consumer Law and other consumer protections. In particular, we have investigated the marketing strategies of a solar company, itinerant persons making unsolicited approaches to consumers for the supply and construction of bitumen driveways and roof painting, and consumer complaints about work quality and contractual issues.

We have also resolved a significant number of consumer disputes through conciliation which has meant that a high percentage of cases have avoided the court system. For further information on our compliance and enforcement activities including our enforcement outcomes, refer to Appendix 11.

# Licensing

Licensing ensures that applicants meet the legislative requirements for minimum standards. As a result, the community is afforded a level of consumer protection that licence holders are competent in performing their activities.

Licensing services are provided for various occupations including builders, trades, security and investigation agents, conveyancers and land agents, as well as for liquor, gaming, lotteries and charities.

## Web-based interviews

Traditionally, applicants for a builder's licence have been required to attend CBS in person for a technical interview assessment. In 2013-14, online building licence interviews were trialled which enabled eligible applicants located in remote regions of South Australia to be assessed for a builder's licence using the internet rather than in person. This initiative has saved applicants and businesses time and money by not having to physically attend our offices.

We have continued to conduct further trials in 2014-15 which have highlighted some technical difficulties in communicating with applicants who do not have access to higher internet download speeds. We observed that interviewees who had access to higher download speeds worked well. In 2015-16, we will continue to develop minimum standards for successful online interviews to ensure that they continue to be available to eligible remote applicants.

## System development

We identified the need to improve our IT system to deliver enhanced functionality that will improve the integrity of our database but ultimately improve our customers' experience. We successfully upgraded one stage of our current IT system which supports licensing, consumer complaints and investigation activity.

We are also looking to introduce online smart forms to replace manual forms. This will reduce the number of forms which are currently required to apply for a licence and simplify the way in which consumers transact with CBS. Other initiatives that we are looking to implement include a telephone payment facility for annual occupational and liquor licence fees as well as additional licence fee payment portals such as Billpay to provide our customers with increased options to pay their fees.

## Revised builders' licensing model

We grant builders' licences with conditions that define the type of work a licensee can perform. Over time, licences have been personally tailored to suit an applicant's specific skillset. This has resulted in approximately 4,000 unique licence conditions being created on our licensing database.

The licensing model has benefits in that it allows people to work in line with their skillset without needing to gain unnecessary qualifications to meet a broad licence category. However, it has resulted in some licence conditions being unclear with their scope of work, difficult to interpret and to define.

This year we revised the way our conditions were determined and the number of routinely available conditions has been reduced from 4,000 to 236. While there is still flexibility to fit in those people with unique circumstances, this is now rare and conditions issued are consistent and well defined. We have implemented a standard set of licence conditions that are used for all new builders licence applications.

## Streamlined process for limited liquor licences

We assess limited liquor licence applications for medium to large events held at a single venue, such as food and wine festivals with a number of different stalls representing different wineries.

Previously, we required a participating stallholder to lodge an individual limited licence application to sell or supply liquor at the same event at a cost of \$77 per application. The applications were processed individually and a single licence was granted for each stallholder.

On 30 October 2014, the *Liquor Licensing (General) Regulations 2012* were amended to reflect a new fee structure for a limited licence application with multiple applicants allowing one application to be completed that lists all participating stallholders. This amendment reflects internal process efficiencies for CBS and has reduced the number of applications received by CBS and saved applicants approximately \$25,000 in fees this year.

## Security and investigation agents

We are responsible for licensing security and investigation agents. As at 30 June 2015, there were a total of 8,946 licences held. A number of changes were made to security licensing to better align South Australia with the other Australian states such as the introduction of a new licence class “Guarding with a Firearm”, requiring an applicant to complete national training and licensing Registered Training Organisations as well as their individual trainers.

# Dispute resolution

Our dispute resolution section provides advice and alternative dispute resolution, administers laws relating to consumer protection and product safety and maintains a high level of community contact and service. We also provide cost effective education and publications to consumers and businesses.

## Increased bond transactions completed online

Residential Bonds Online ('RBO') is a secure online and paperless system for the management of residential bonds 24 hours a day, seven days a week. RBO was implemented in May 2014. It has enabled landlords, agents and tenants to benefit from easier communication and faster transactions.

Since February 2015, we have conducted 30 in-house training sessions for 200 agents and landlords in an effort to increase their understanding and participation in the RBO system which has proven to be very successful. The success of this initiative has resulted in 250 agents being registered online. This has steadily increased from the 50 agents registered to use RBO in 2013-14.

## Residential Tenancies Reforms

The remaining changes to the *Residential Tenancies Act 1995* ('RTA') that completed the implementation of the reforms commenced on 9 May 2015. This meant that older South Australians were better protected as the scope of the RTA expanded to protect residents in no-premium retirement villages, commonly known as lifestyle villages. As a result, there are now requirements in relation to rental agreements, bond lodgements and refunds, inspection times, repairs and maintenance, dispute resolution and a range of other matters.

Further changes require rooming house proprietors to lodge rental bonds received on or after 9 May 2015 with the Commissioner. Other changes which commenced included changes to the time limits allowing for the payment of bonds to the Commissioner, and bonds refunded to tenants that were lodged on or after 9 May 2015 will no longer be required to include interest.

## Rapid conciliations

Building on the success of the compulsory conciliation conferences, on 30 June 2014, we introduced a new rapid conciliation process which seeks to resolve or escalate disputes of a lower consumer detriment within five working days which is quicker than the current six week timeframe.

The disputes that are not resolved through the rapid conciliation process will be escalated to the Compulsory Conciliation Conference process which has an 85 per cent successful resolution rate to date. While the rapid conciliation process is still in the early stages of implementation, it has been utilised for 367 disputes since its inception with a 73 per cent success rate.

# Appendices



# Appendix 1

Legislation administered by CBS

The Commissioner for Consumer Affairs administers the following Acts:

- *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*
- *Misrepresentation Act 1972*

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 National Law (SA) Act 2013*

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 of 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 South Australia)*

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

- *Adoption Act 1988*
- *Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981*
- *Coroners Act 2003*
- *Burial and Cremation Act 2013*
- *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 2

Reporting under the *Fair Trading Act 1987*

Products withdrawn or recalled

Surveillance	Number of Products withdrawn or recalled	Outcome/reason
General market surveillance- July 2014  (4 product lines)	(1) Hot water bottle	Withdrawn - failed mandatory safety standard
	(1) Phone charger	Withdrawn and referred to another agency
	(1) Children's nightwear	Withdrawn - failed mandatory safety standard
	(3) Toy guns with lasers	Withdrawn and referred to another agency
General market surveillance and showbag inspections- August 2014  (8 product lines)	(1) Vehicle jack	Withdrawn – failed mandatory safety standard
	(1) Vehicle jack	Withdrawn – failed mandatory safety standard
	(6) Showbag items	Amended prior to start of the Royal Adelaide Show
Royal Adelaide Show and Riverland Field Day surveillance-September 2014  (4 product lines)	(1) Sunglasses	Withdrawn – failed mandatory safety standard
	(1) Projectile toy	Withdrawn – failed mandatory safety standard
	(1) Yo-yo water ball	Corrected on the spot – banned product
	(2) Sunglasses (Riverland)	Withdrawn – failed mandatory safety standard
Christmas toy surveillance, portable pools surveillance- October 2014  (5 product lines)	(1) Small, powerful magnets	Withdrawn – banned product
	(60) Sunglasses	Withdrawn – failed mandatory safety standard
	(60) Sunglasses	Withdrawn – failed mandatory safety standard
	(1) Portable pool	Withdrawn – failed mandatory safety standard

Surveillance	Number of Products withdrawn or recalled	Outcome/reason
	(1) Portable pool	Withdrawn – failed mandatory safety standard
Christmas toy surveillance and Port Lincoln operation- November 2014  (5 product lines)	(60) Sunglasses	Withdrawn – failed mandatory safety standard
	(60) Sunglasses	Withdrawn – failed mandatory safety standard
	(1) Children’s nightwear	Withdrawn – failed mandatory safety standard
	(1) Children’s nightwear	Withdrawn – failed mandatory safety standard
	(3) Cosmetics	Withdrawn – failed mandatory information standard
General market surveillance and Christmas toy surveillance-December 2014  (2 product lines)	(1) Cosmetics	Withdrawn – failed mandatory information standard
	(1) Toys for children up to and including 36 months	Withdrawn – failed mandatory safety standard
General market surveillance- January 2015  (1 product line)	(1) Baby bath aid	Withdrawn – failed mandatory safety standard
General market surveillance and Kangaroo Island operation-February 2015  (5 product lines)	(1) Second-hand pram	Withdrawn – failed mandatory safety standard
	(175) Sunglasses	Withdrawn – failed mandatory safety standard
	(1) Children’s nightwear	Withdrawn – failed mandatory safety standard
	(3) Portable pools	Withdrawn – failed mandatory safety standard
	(1) Cosmetics	Withdrawn – failed mandatory information standard
	(1) Cosmetics	Withdrawn – failed mandatory information standard
	(1) Cosmetics	Withdrawn – failed mandatory information standard
	(1) Cosmetics	Withdrawn – failed mandatory information standard
General market surveillance- March 2015  (6 product lines)	(1) Children’s nightwear	Withdrawn – failed mandatory safety standard
	(1) Children’s nightwear	Withdrawn – failed mandatory safety standard

Surveillance	Number of Products withdrawn or recalled	Outcome/reason
	(1) Projectile toy	Withdrawn – failed mandatory safety standard
	(2) Sunglasses	Withdrawn – failed mandatory safety standard
	(1) Indoor blind	Withdrawn - failed mandatory safety standard
	(1) Cosmetics	Withdrawn – failed mandatory information standard
General market surveillance - April 2015 (4 product lines)	(1) Stroller	Withdrawn – failed mandatory safety standard
	(1) Sunglasses	Withdrawn – failed mandatory safety standard
	(1) Cosmetics	Withdrawn – failed mandatory information standard
	(1) Cosmetics	Withdrawn – failed mandatory information standard
General market surveillance- May 2015 (3 product lines)	(60) Sunglasses	Withdrawn – failed mandatory safety standard
	(30) Cosmetics	Withdrawn – failed mandatory information standard
	(110) Cosmetics	Withdrawn – failed mandatory information standard
General market surveillance and Mount Gambier operation-June 2015 (4 product lines)	(1) Treadmill	Withdrawn – failed mandatory safety standard
	(29) Pool Bean Bags	Withdrawn – failed mandatory safety standard
	(1) Bunk bed	Withdrawn – failed mandatory safety standard
	(1) Bunk bed	Withdrawn – failed mandatory safety standard

*\*The numbers in brackets indicate the number of faulty items.*

# Appendix 3

Reporting under the *Fair Trading Act 1987* and related Acts

Analysis of fair trading enquiries received

Analysis of Enquiries* Received by Category**				
	Main Category	Variation	2014-15	2013-14
1	General Goods	72%	13433	7826
2	Building & Construction	28%	8871	6952
3	Motor Vehicles	37%	5521	4044
4	Travel, Hospitality & Tourism***	73%	851	493
5	Communication	20%	658	546
6	Insurance	4%	241	232
7	Credit & Finance	8%	267	246
8	Real Estate & Accommodation	43%	903	630
9	Marketing Methods	-11%	163	183
10	General Services	-38%	5452	8765
11	Referred Matters****	-42%	4218	7233
12	Scams & Schemes	36%	529	388
13	Other	-5%	1892	1988
	<b>TOTAL</b>	<b>9%</b>	<b>42999</b>	<b>39526</b>

\*We provide free fair trading advice to consumers and traders. Enquiries include contacts by telephone and in person.

\*\*We reduced the number of codes we used to record enquires from 60 to 17. This simplified approach has led to increases in some categories of enquiries.

\*\*\*The large increase of enquiries in Category 4 relates in part to the cancellation of flights by Air Asia out of Adelaide.

\*\*\*\*We have reduced the number of referred matters as we have endeavoured to provide general advice to consumers and traders to resolve complaints in the first instance.

# Appendix 4

Reporting under the *Fair Trading Act 1987* and related Acts

Analysis of complaints received by product or service

Category		2014-15	2013-14
<b>1</b>	<b>Residential Building Construction</b>		
	Air conditioning, heating installation	36	26
	Building & decorating products	7	13
	Carpentry, joinery	12	8
	Pest control services	7	4
	Concrete work, foundations, brickwork, paving	63	49
	Electrical (incl. solar panel systems)	280	291
	Fences, garden walls, gates	44	11
	Garages, carports, sheds, water tanks	28	33
	Gardening & outdoor products	80	89
	Home construction, extensions, renovations	421	233
	Painting, decorating, plastering	27	14
	Plumbing - water, gas, drainage	46	39
	Roofing, insulation, roof treatments	55	49
	Swimming pools, spas, hot tubs	25	19
	Tiling	10	15
	Other	40	55
	<b>Total</b>	<b>1181</b>	<b>948</b>

Category		2014-15	2013-14
<b>2</b>	<b>General Consumer Products</b>		
	Air conditioners	19	14
	Literature, stationery, CDs & DVDs	32	30
	Clothes	77	70
	Electrical goods - other	12	8
	Food products	124	86
	Footwear	17	13
	Furnishings	47	43
	Furniture - lounge suites	60	50
	Furniture - other	71	56
	Haberdashery, clothing materials & accessories	3	5
	Heaters & hot water systems	22	19
	Household appliances	87	81
	Jewellery, clocks & watches	35	30
	Pets & pet products	27	22
	Photographic equipment & supplies	14	16
	Health & cleaning products	41	32
	Sports & camping equipment	40	28
	Televisions, VCRs & DVD players	58	43
	Whitegoods - other	23	13
	Whitegoods - refrigerators	17	14
	Whitegoods - washing machines	21	14
	Other general goods	96	113
	<b>Total</b>	<b>943</b>	<b>800</b>
<b>3</b>	<b>General Services</b>		
	Dry cleaning	6	3
	Education & training	38	17



Category		2014-15	2013-14
	Employment	4	6
	Health & fitness (gyms)	64	47
	Furniture removals	14	15
	Health services	17	8
	Household services	36	56
	Introduction agencies	4	1
	Transport services	34	20
	Personal services	73	59
	Professional & technical services	34	34
	Utilities & fuel supply	30	33
	Sport, culture & recreation	44	34
	Other services	305	280
	<b>Total</b>	<b>703</b>	<b>613</b>
<b>4</b>	<b>Motor Vehicles and Transport Products</b>		
	Purchase of new motor vehicles	53	55
	Purchase of new & used motor cycles	13	14
	Purchase of used motor vehicles	157	106
	Consignment sales	1	1
	Automotive repair & servicing	157	108
	Spare parts & accessories	59	41
	Other transport vehicles & equipment	67	56
	<b>Total</b>	<b>507</b>	<b>381</b>
<b>5</b>	<b>Travel, Hospitality and Tourism</b>		
	Travel agents	32	15
	Tours	13	6
	Passenger services*	111	38
	Car, Campervan & Caravan rental	10	13

Category		2014-15	2013-14
	Hotels, motels, hostel	40	27
	Other	36	28
	<b>Total</b>	<b>242</b>	<b>127</b>
<b>6</b>	<b>Scams and Schemes</b>		
	Scams	34	26
	Get rich quick schemes	10	2
	<b>Total</b>	<b>44</b>	<b>28</b>
<b>7</b>	<b>Communication &amp; Information</b>		
	Telephone services & products	120	119
	Internet	21	19
	Television & other services	10	5
	Computers & software	92	88
	<b>Total</b>	<b>243</b>	<b>231</b>
<b>8</b>	<b>Real estate, accommodation</b>		
	Property sales & listings	43	37
	Property management	27	13
	Other - accommodation & real estate	31	16
	<b>Total</b>	<b>101</b>	<b>66</b>
<b>9</b>	<b>Marketing Methods</b>		
	Internet - Marketing, Distant Selling	6	5
	Discount & gift voucher schemes	6	5
	Other	7	16
	<b>Total</b>	<b>19</b>	<b>26</b>
<b>10</b>	<b>Product Safety</b>		
	Product safety/standards & hazardous products	34	53
	<b>Total</b>	<b>34</b>	<b>53</b>

Category		2014-15	2013-14
11	<b>Credit, finance, investment</b>		
	Credit & finance	40	20
	Investment	4	3
	<b>Total</b>	<b>44</b>	<b>23</b>
12	<b>Insurance</b>	26	21
	<b>Total</b>	<b>26</b>	<b>21</b>
<b>TOTAL FOR PERIOD</b>		<b>4087</b>	<b>3317</b>

*\*The increase in complaints received about Passenger Services relates in large part to the cancellation of flights out of Adelaide by Air Asia.*

# Appendix 5

Reporting under the *Fair Trading Act 1987* and related Acts

Analysis of complaints investigated by practice

Practice		2014-15	2013-14
1	Quality	1134	1164
2	Contracts	693	666
3	Warranties	513	382
4	Miscellaneous Conduct*	348	119
5	Representations	871	438
6	Price	230	170
7	Scams and Schemes	23	27
8	Advertising	179	211
9	Product Safety/Standards & Hazardous Products	34	53
10	Sales Methods	40	42
11	Credit	12	12
12	Product Labelling	10	12
TOTAL		4087	3296

*\*In the miscellaneous conduct category, non-fair trading issues increased from 37 to 230 in this financial year.*

# Appendix 6

## Occupational Licensing and Registration

### Reporting under the *Building Work Contractors Act 1995*

Builders Licences	2014-15	2013-14	2012-13
Held by bodies corporate (usually companies)	4689	4323	4226
Held by natural persons (individuals or members of partnerships) Includes contractors only and contractors & supervisors. Does not include supervisors only	19624	18818	18926
Held by building work supervisors (registrations only)	3951	3612	3407
<b>Total number of builders' licensees</b>	<b>28264</b>	<b>26753</b>	<b>26559</b>
Applications for new licences/registrations or a change of conditions processed	2528	2637	2516

### Reporting under the *Security and Investigation Industry Act 1995\**

Security and investigation agents licences	2014-15	2013-14	2012-13
Held by bodies corporate (usually companies)	476	416	391
Held by natural persons	9671	8398	8287
<b>Total number of licensees</b>	<b>10147</b>	<b>8814</b>	<b>8678</b>
Applications for new licences or a change of conditions processed	1692	1360	1404

*\*Increases in this licence category are as a result of legislative reform outlined on page 14.*

### Reporting under the *Plumbers, Gas fitters and Electricians Act 1995\**

Plumbers	2014-15	2013-14	2012-13
Holding a contractor licence only (individual or company)	669	1953	1966
Holding a workers registration	2988	5248	4378
Holding both a worker registration and contractor licence	1568		

Gas fitters	2014-15	2013-14	2012-13
Holding a contractor licence only (individual or company)	601	1469	1466
Holding a workers registration	3405	4350	3687
Holding both a worker registration and contractor licence	1285		

Electricians	2014-15	2013-14	2012-13
Holding a contractor licence only (individual or company)	1664	5520	5560
Holding a workers registration	18204	21558	17683
Holding both a worker registration and contractor licence	4442		

*\*Numbers reported on in previous years are not a direct comparison to this year' plumbers, gas fitters and electricians licences as we now record three categories instead of two to provide further detail.*

#### Reporting under the *Land Agents Act 1994*

Registrations	2014-15	2013-14	2012-13
Held by land agent bodies corporate (usually companies)	957	881	871
Held by land agent natural persons	2323	2165	2084
Held by sales representative and auctioneer natural persons	2577	2194	2201
<b>Total</b>	<b>5857</b>	<b>5240</b>	<b>5156</b>
Applications for new registrations processed	841	795	820

Reporting under the *Conveyancers Act 1994*

Registrations	2014-15	2013-14	2012-13
Held by bodies corporate (usually companies)	72	63	64
Held by natural persons	620	608	615
<b>Total</b>	<b>692</b>	<b>671</b>	<b>679</b>
Applications for new registrations processed	31	33	32

Reporting under the *Second-hand Vehicle Dealers Act 1995*

Licences	2014-15	2013-14	2012-13
<b>Held by bodies corporate (usually companies)</b>			
Second-hand motor vehicle dealers	393	367	371
Second-hand motor cycle dealers	30	29	31
<b>Held by natural persons</b>			
Second-hand vehicle dealers	827	752	749
Second-hand motor cycle dealers	52	54	56
<b>Total</b>	<b>1302</b>	<b>1202</b>	<b>1207</b>
<b>Applications for new licences/registrations processed</b>			
Second-hand vehicle dealers	97	88	108
Second-hand motor cycle dealers	3	2	6
Registration of trading premises (new application)	55	45	79

# Appendix 7

## Associations and co-operatives

### Reporting under the *Associations Incorporation Act 1985*

Associations	2014-15	2013-14
Incorporated associations on the register	20309	20032
Incorporated during the year	407	390
De-registered and wound-up	100	128
Periodic returns lodged	573	619
Searches of the public register	850	686

Co-operatives	2014-15	2013-14
Co-operatives on the register (at 30 June)	55	56
Incorporations	0	1
Foreign registrations	0	0
De-registrations	1	1



## Appendix 8

Reporting under the *Residential Tenancies Act 1995* and the *Residential Parks Act 2007*

Bonds	2014-15	2013-14	2012-13
Total tenant provided residential bonds held	148090	146042	144478
Total Housing SA provided residential bonds held	286	309	335
Total Housing SA residential bond guarantees held	63630	58187	53989
<b>Total residential bonds held</b>	<b>212006</b>	<b>204538</b>	<b>198802</b>

Tenant provided residential bonds (\$)	235 594 128	226 782 513	216 970 172
Housing SA provided residential bonds (\$)	122 547	133 333	142 928
Housing SA residential bond guarantees (\$)	70 298 428	61 758 520	54 638 669
<b>Total residential bonds held (\$)</b>	<b>306 015 103</b>	<b>288 674 366</b>	<b>271 751 769</b>

Residential Tenancies Bonds	2014-15	2013-14	2012-13
Residential bonds lodged	63774	60855	61580
Residential bonds refunded	59034	56298	55117

Residential Tenancies Bonds	2014-15	2013-14	2012-13
Total residential park bonds held	656	672	689
Total residential park bonds held (\$)	305 569	312 605	326 879
Residential park bonds lodged	169	185	217
Residential park bonds refunded	144	185	202

Incoming contact	2014-15	2013-14	2012-13
Incoming bond calls	47210	45369	43995
Incoming emails requesting advice	3323	3840	1956

Advice	2014-15	2013-14	2012-13
Requests for assistance ( <i>files</i> )	0	16	123
Customer contacts ( <i>including outgoing calls and counter</i> )	3928	4739	6450
Incoming tenancy advice calls	44422	47347	52119
Incoming emails requesting advice	1722	1464	2410
Expiation notices issued by the Branch	70		111

Residential Tenancies Tribunal*	2014-15	2013-14	2012-13
Applications lodged	8125	11436	11989
Hearings listed - metro	7315	11129	10695
Hearings listed - country	1333	911	783
Hearings listed - country video conference	75	291	301
Hearings actually conducted	7445	10543	10044

\*These figures are up until 30 March 2015 as the RTT transferred to SACAT.

RTT Listings by category *	2014-15		2013-14		2012-13	
	#	%	#	%	#	%
Vacant possession	3586	42	6337	53	6717	59
Bond and compensation	3151	36	4026	33	3146	27
Miscellaneous	1278	15	765	6	826	7
Vary or set aside	512	6	712	6	602	5
Termination due to tenant conduct	78	1	145	1	111	1
Immediate termination	41	0.5	37	0.3	49	0.4
Retirement Villages	0	0	13	0.1	22	0.2
Exemptions	3	0	5	0	5	0
<b>Total metro and country</b>	<b>8649</b>		<b>12040</b>		<b>11478</b>	

*\*These figures are up until 30 March 2015 as the RTT transferred to SACAT.*

# Appendix 9

## Companies and Co-operatives Liquidation Accounts\*

### Reporting under the *Companies (Administration) Act 1982*

Companies Liquidation Account	\$
Balance at 1 July 2014	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 2015	94 244.40

### Reporting under the *Co-operatives National Law (SA) Act 2013*

Co-operatives Liquidation Account	\$
Balance at 1 July 2014	64 992.85
Add: Amounts received during the year pursuant to section 331 of the <i>Co-operatives Act 1997</i>	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 2015	64 992.85

*\*CBS maintains accounts where unclaimed monies 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.*

# Appendix 10

## Miscellaneous responsibilities

### ***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.

### ***Evidence Act 1929***

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

### ***Land Valuers Act 1994***

No action was taken during the year.

### ***Liquor Licensing Act 1997***

No public order or safety notices were issued pursuant to section 128B 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 no 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.

### ***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 2015 are due to be lodged with Consumer and Business Services by the end of October 2015.

# Appendix 11

Reporting under the *Fair Trading Act 1987* and other related Acts

Date	Trader (where applicable)	Action
05.08.14		The Commissioner issued a public warning about travelling conmen doing substandard roof and driveway repairs in suburban Adelaide.
11.08.14	Mr Shane Snellgrove	The Commissioner issued a public warning about an unlicensed real estate agent.
10.09.14	Mr Shaun Modra	The Acting Commissioner informed South Australians that an unlicensed real estate agent is being investigated.
09.10.14	World Class Motors Australia Pty Ltd	Court enforceable undertaking or assurance that the trader will ensure compliance with section 17(3) of the <i>Second-hand Vehicle Dealers Act 1995</i> .
09.10.14	Mr Hoong Boon Ooi	Court enforceable undertaking or assurance that the trader will ensure compliance with section 17(3) of the <i>Second-hand Vehicle Dealers Act 1995</i> .
13.10.14	Mr Peter Max Lienert	Court enforceable undertaking or assurance that the trader will ensure compliance with section 28(1) of the <i>Building Work Contractors Act 1995</i> .
28.10.14	Mariarosa Propriety Ltd Trading as L.J Hooker Real Estate West Lakes	Court enforceable undertaking or assurance that the trader will ensure compliance with section 6A(3)(a) of the <i>Land Agents Act 1994</i> .
07.11.14	Mr Andrew Szewczyk	Court enforceable undertaking or assurance that the trader will ensure compliance with section 7(1) of the <i>Second-hand Vehicle Dealers Act 1995</i> .
07.11.14	Mr Matthew Chew	Court enforceable undertaking or assurance that the trader will ensure compliance with section 7(1) of the <i>Second-hand Vehicle Dealers Act 1995</i> .
01.12.14	M & M Greenworks Tree Services	The Minister for Business Services and Consumers issued a public warning that dodgy tree loppers are operating in the Adelaide Hills and foothills .
03.12.14	Mr Ho Yin Mak	Court enforceable undertaking or assurance that the trader will ensure compliance with section 7(1) of the <i>Second-hand Vehicle Dealers Act 1995</i> .
22.12.14	Mr Arthur Burton	Court enforceable undertaking or assurance that the trader will ensure compliance with section 7(1) of the <i>Second-hand Vehicle Dealers Act 1995</i> .
30.12.14	Mr George Lymberopoulos	Court enforceable undertaking or assurance that the trader will ensure compliance with sections 14(1) and 16(1) of the <i>Second-hand Vehicle Dealers Act 1995</i> .
30.12.14	Mr Peter Forward	Court enforceable undertaking or assurance that the trader will ensure compliance with sections 6(1), 29, 30(1) and 34 of the <i>Building Work Contractors Act 1995</i> .
08.01.15	Mr Colin David Hincks	Court enforceable undertaking or assurance that the trader will ensure compliance with section 6(1) of the <i>Building Work Contractors Act 1995</i> .

Date	Trader (where applicable)	Action
16.01.15	Mr Mark Beaumont	The Commissioner prosecuted Mr Beaumont for carrying out work as a building contractor without a licence and not having the appropriate builder's indemnity insurance. Mr Beaumont was convicted on two counts in the Mount Barker Magistrates Court and fined \$3,500 plus the Victims of Crime levy.
20.01.15	Mr Frank Dashwood Bladon	The Commissioner prosecutes Mr Bladon for carrying on business as a building contractor without a licence and holding himself out as being entitled to carry on a business as a building work contractor. Mr Bladon pleaded guilty in the Adelaide Magistrates Court to both charges and was fined \$3,000 and ordered to pay compensation of \$1,797.50 to the home owner in addition to prosecution costs of \$800.
03.02.15	Mr Michael Love	Court enforceable undertaking or assurance that the trader will ensure compliance with section 20(5) of the <i>Land and Business (Sales and Conveyancing) Act 1994</i> .
03.02.15	One Earth Designs Pty Ltd trading as L.J Hooker Blackwood	Court enforceable undertaking or assurance that the trader will ensure compliance with section 20(5) of the <i>Land and Business (Sales and Conveyancing) Act 1994</i> .
05.02.15	Mr Gary Ronald Hancock	The Commissioner prosecuted Mr Hancock for five breaches of the <i>Second-Hand Vehicle Dealers Act 1995</i> including one count of operating a second-hand car dealer business while unlicensed and four counts of making materially false or misleading statements. Mr Hancock pleaded guilty and the Chief Magistrate recorded convictions for each offence and ordered a total fine of \$30,000 plus court costs.
17.02.15		The Minister for Business Services and Consumers issued a public warning for residents on the Eyre Peninsula and the Adelaide Hills to be on guard for travelling conmen posing as bitumen layers employed by THC Pty Ltd or Thomas Hall Constructions neither of which were registered business names.
24.02.15	Mr Kent Scott Willis	Court enforceable undertaking or assurance that the trader will ensure compliance with section 8(1)(f) of the <i>Land Agents Act 1994</i> . The trader will also ensure compliance with sections 49(1)(c)(d), 49(3), 6(a)(b), 54(1), 61(a)(b), 62(1), 65(1)(a)(b), 68(1)(3)(c)(i) of the <i>Residential Tenancies Act 1995</i> .
25.02.15	Mr Stavros Giorginis	The Commissioner prosecuted Mr Giorginis for carrying on business as a plumbing contractor without a licence. The Court imposed an 18 month good behaviour bond preventing Mr Giorginis from carrying out work as a plumber.
27.02.15	Mr Bradly John Jones	Court enforceable undertaking or assurance that the trader will ensure compliance with section 6(1) of the <i>Building Work Contractors Act 1995</i> .
27.03.15	Built It Pty Ltd	The Commissioner suspends the licence of Built It Pty Ltd from 25 March 2015.

Date	Trader (where applicable)	Action
01.04.15	LukeLeo Pty Ltd trading as BIG Pages	The Commissioner commenced proceedings in the Supreme Court of South Australia against online directory advertising company LukeLeo Pty Ltd trading as BIG Pages and sole director Luke Farrell. It is alleged that the company and its sole director have engaged in false, misleading and deceptive conduct.
02.04.15	Kennedy Roofing and Paving	The Commissioner issued a warning and informed South Australians that it is investigating Kennedy Roofing and Paving for unsatisfactory building work.
18.04.15	Mr Arthur Rooney	Court enforceable undertaking or assurance that the trader will ensure compliance with section 6(1) of the <i>Building Work Contractors Act 1995</i> .
05.06.15	Mr Graeme Sherwell	Court enforceable undertaking or assurance that the trader will ensure compliance with section 24G of the <i>Land and Business (Sales and Conveyancing) Act 1994</i> .
09.06.15	Spend a Penny	The Commissioner prosecuted the operator of the Spend a Penny stores. The prosecution resulted in a conviction and a penalty was imposed by the Holden Hill Magistrates Court of \$3,500. Spend a Penny was also ordered to pay the victims of crime levy of \$240 and prosecution costs of \$800.
12.06.15		The Commissioner issued a warning and informed residents on the State's West Coast to be aware of travelling conmen offering unsolicited work laying bitumen around the Penong area.
29.06.15	Mr Alecos Pericleous	The Commissioner prosecuted Mr Pericleous for breaching the <i>Second-Hand Vehicle Dealers Act 1995</i> by operating a second-hand car dealer business without an appropriate licence. Mr Pericleous pleaded guilty in the Adelaide Magistrates Court. He was convicted and fined \$20,000 plus \$800 in prosecution costs.



# Appendix 12

Media releases\*

Date	Media release
10.07.14	Pokies seized in SA first
10.07.14	Late night code gets results
28.07.14	Commissioner for Consumer Affairs, Liquor and Gambling appointed
01.08.14	More pokies taken out of circulation
03.08.14	Charity food box scam under investigation
05.08.14	Warning about travelling conmen in suburban Adelaide
11.08.14	Warning on unlicensed real estate agent
13.08.14	Inspectors ensure show bag toys, games are child safe
22.08.14	Adelaide small bar gets national recognition
28.08.14	Investigation targets 'backyard' car dealers
28.08.14	Update on City Southside Real Estate
03.09.14	Don't be a tool-Avoid injuries with DIY work
06.09.14	BYO BBQs a go for the SANFL Grand Final
08.09.14	Egg-citing vote underway: South Australians to choose free-range logo
09.09.14	Public Warning: City Southside Real Estate
10.09.14	Update: City Southside Real Estate
11.09.14	Next round of gaming machine trading announced
15.09.14	Savvy Seniors Campaign protects seniors from scams
21.11.14	New fee structure cuts red tape and costs for event liquor licences
24.11.14	National approach to support indigenous consumers
01.12.14	Don't get burnt by dodgy tree loppers
03.12.14	Good retail practices are good news for South Australians
04.12.14	Safety first: Know the rules around the pool
10.12.14	Savvy Christmas shoppers know refund rules, avoid online scams
12.12.14	Review to assess impact, effectiveness of Late Night Code
18.12.14	Dry zone to be trialled in Adelaide Park Lands
05.01.15	Be alert to fake bushfire fundraising
16.01.15	Conviction for unlicensed builder
19.01.15	Do your homework before hiring a tradie; be wary of door-knockers
20.01.15	Crack down on second hand 'backyard' car dealers
20.01.15	Conviction for Unlicensed Builder
22.01.15	Gaming blitz targets problem gambling in CBD venues
05.02.15	Consumer and Business Services Prosecutes Dodgy Car Dealer
09.02.15	Free range egg code of conduct is one step closer
14.02.15	Don't become a victim of a love scam today
17.02.15	Dodgy bitumen tradies
18.02.15	Another win for live entertainment
18.02.15	Time to have your say on the Late Night Code of Practice
25.02.15	Conviction for unlicensed plumber
05.03.15	Dry zone extension proposal
15.03.15	Know your rights on World Consumer Rights Day
17.03.15	Dob in a Dodgy Tradie
20.03.15	City Park Lands dry zone extension
24.03.15	Shonky operators identified in Dob in a Dodgy Tradie Day
25.03.15	Conciliation Conferences-resolving majority of consumer disputes

Date	Media release
27.03.15	Suspension of licence of Built It Pty Ltd
01.04.15	Civil action against BIG Pages
02.04.15	Travelling conmen offering building services
10.04.15	Helping young consumers make the right decision
13.04.15	Changes to tenancy laws to protect victims of domestic violence
05.05.15	Keeping Mum on gift cards
14.05.15	Web chat service to cut wait times for businesses and consumers
18.05.15	Get smarter with your data to protect from fraud
05.06.15	Consumer advice to power up SA's youth
09.06.15	Spend A Penny fined for supplying unsafe baby toys
12.06.15	Private pokies palace raided
12.06.15	Warning as dodgy bitumen bandits target West Coast
20.06.15	Demand your consumer rights during mid-year sales
29.06.15	\$20,000 fine for dodgy unlicensed car dealer

*\*To see the full media release, please visit <http://www.cbs.sa.gov.au/wcm/about/media-releases/media-releases/>*

# Financial Statements



Level 9  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
DX 56208  
Victoria Square  
Tel +618 8226 9640  
Fax +618 8226 9688  
ABN 53 327 061 410  
audgensa@audit.sa.gov.au  
www.audit.sa.gov.au

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, section 41(2) of the *Land Agents Act 1994* and section 43(2) of the *Conveyancers Act 1994*, I have audited the accompanying financial report of the Agents Indemnity Fund for the financial year ended 30 June 2015. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2015
- a Statement of Financial Position as at 30 June 2015
- a Statement of Changes in Equity for the year ended 30 June 2015
- a Statement of Cash Flows for the year ended 30 June 2015
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Deputy Commissioner and Director Compliance and Enforcement Consumer and Business Services and the Executive Director Finance, People and Performance.

**The Commissioner for Consumer Affairs' Responsibility for the Financial Report**

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

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commissioner for Consumer Affairs, as well as the overall presentation of the financial report.

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

### **Opinion**

In my opinion, the financial report gives a true and fair view of the financial position of the Agents Indemnity Fund as at 30 June 2015, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

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

Andrew Richardson  
**Auditor-General**  
30 October 2015

## 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 2015 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.



George Kamencak  
**Deputy Commissioner and Director  
Compliance and Enforcement  
Consumer and Business Services**

Date: 30 OCTOBER 2015 .



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

Date: 30 OCTOBER 2015

**AGENTS INDEMNITY FUND**

**Annual Financial Statements**

**For the year ended 30 June 2015**

**AGENTS INDEMNITY FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 30 June 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Income</b>			
Interest & investment revenues	4	8,530	8,298
Other income	5	150	144
<b>Total income</b>		<b>8,680</b>	<b>8,442</b>
<b>Expenses</b>			
Claims costs	6	5,327	-
Administration costs	7	548	417
Grants		482	625
Professional costs	8	328	40
Other expenses	9	134	114
<b>Total expenses</b>		<b>6,819</b>	<b>1,196</b>
<b>Net result</b>		<b>1,861</b>	<b>7,246</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		822	1,913
<b>Total other comprehensive result</b>		<b>822</b>	<b>1,913</b>
<b>Total comprehensive result</b>		<b>2,683</b>	<b>9,159</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 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Current assets</b>			
Cash and cash equivalents	10	65,884	65,750
Investments	11	27,963	26,187
Receivables	12	1,591	1,592
<b>Total current assets</b>		<b>95,438</b>	<b>93,529</b>
<b>Non-current assets</b>			
Investments	11	26,905	26,083
<b>Total non-current assets</b>		<b>26,905</b>	<b>26,083</b>
<b>Total assets</b>		<b>122,343</b>	<b>119,612</b>
<b>Current liabilities</b>			
Payables	13	56	8
<b>Total current liabilities</b>		<b>56</b>	<b>8</b>
<b>Total liabilities</b>		<b>56</b>	<b>8</b>
<b>Net assets</b>		<b>122,287</b>	<b>119,604</b>
<b>Equity</b>			
Investment market value reserve		4,670	3,848
Retained earnings		117,617	115,756
<b>Total equity</b>		<b>122,287</b>	<b>119,604</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 2015

	Investment market value reserve \$'000	Retained earnings \$'000	Total \$'000
<b>Balance at 30 June 2013</b>	<b>1,935</b>	<b>108,510</b>	<b>110,445</b>
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>	<b>3,848</b>	<b>115,756</b>	<b>119,604</b>
Net result for 2014-15	-	1,861	1,861
Gain taken to equity	822	-	822
Total comprehensive result for 2014-15	822	1,861	2,683
<b>Balance at 30 June 2015</b>	<b>4,670</b>	<b>117,617</b>	<b>122,287</b>

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 2015

	Note No.	2015 Inflows (Outflows) \$'000	2014 Inflows (Outflows) \$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Interest and investment receipts		6,909	6,535
Other receipts		-	4
<b>Cash generated from</b>		<b>6,909</b>	<b>6,539</b>
<b>Cash outflows</b>			
Administration		( 548 )	( 417 )
Grants		( 481 )	( 624 )
Claims		( 5,327 )	( 78 )
Professional costs		( 284 )	( 40 )
Other payments		( 135 )	( 114 )
<b>Cash used in</b>		<b>( 6,775 )</b>	<b>( 1,273 )</b>
<b>Net cash provided by</b>	14	<b>134</b>	<b>5,266</b>
<b>Net increase in cash and cash equivalents</b>		<b>134</b>	<b>5,266</b>
Cash and cash equivalents at the beginning of the		65,750	60,484
<b>Cash and cash equivalents at the end of the financial year</b>	10	<b>65,884</b>	<b>65,750</b>

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

## **NOTES TO THE ACCOUNTS**

### **For the year ended 30 June 2015**

#### **Note 1. Objectives of the Agents Indemnity Fund**

The Agents Indemnity Fund (the Fund) is regulated by the *Land Agents Act 1994* and the *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 provisions 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 2015. 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;
- 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; and
- 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 the 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 2015 and the comparative information presented.

## **NOTES TO THE ACCOUNTS**

### **For the year ended 30 June 2015**

#### **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.

#### **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.

## **NOTES TO THE ACCOUNTS**

### **For the year ended 30 June 2015**

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.

#### *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 2013-14 and 2014-15 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.

## **NOTES TO THE ACCOUNTS**

### **For the year ended 30 June 2015**

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 2015 the Fund held investments in common funds in the following proportions:

Balanced	48.45%
Cash Common Fund	51.55%

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**

## **NOTES TO THE ACCOUNTS**

### **For the year ended 30 June 2015**

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 2014-15. 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 2015. 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 2015

**4. Interest & investment revenues**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest from Agents & Conveyancers Trust Accounts	5,294	5,138
Interest on deposits with the Department of Treasury and Finance	1,511	1,491
Distribution from Public Trustee investments	991	886
Interest on investments held with Public Trustee	734	783
<b>Total Interest and investment revenues</b>	<b>8,530</b>	<b>8,298</b>

**5. Other income**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Management fee recovery	150	140
Sundry recovery	-	4
<b>Total Other income</b>	<b>150</b>	<b>144</b>

**6. Claims costs**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Claims costs	5,327	-
<b>Total Claims costs</b>	<b>5,327</b>	<b>-</b>

A large number of claims have been lodged against the Agent's Indemnity Fund in relation to Nova Real Estate Pty Ltd, formerly registered as a land agent under the *Land Agents Act 1994*. All of the claims paid in 2014-15 relate to this matter. A contingent liability with respect to future claims is included in note 15.

**7. Administration costs**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Administration costs *	548	417
<b>Total Administration costs</b>	<b>548</b>	<b>417</b>

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

**8. Professional costs**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Legal and other professional costs	328	40
<b>Total Professional costs</b>	<b>328</b>	<b>40</b>

**9. Other expenses**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Consumer and Agent Education	116	102
Other (inc.audit fees)	18	12
<b>Total Other expenses</b>	<b>134</b>	<b>114</b>

**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2015

**10. Cash and cash equivalents**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer	65,884	65,750
<b>Total Cash and cash equivalents</b>	<b>65,884</b>	<b>65,750</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.

**11. Investments**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Funds invested with the Public Trustee	27,963	26,187
<b>Total Current investments</b>	<b>27,963</b>	<b>26,187</b>
<b>Non-Current</b>		
Funds invested with the Public Trustee	26,905	26,083
<b>Total Non-current investments</b>	<b>26,905</b>	<b>26,083</b>
<b>Total Investments</b>	<b>54,868</b>	<b>52,270</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**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Accrued interest	836	748
Other Receivables	755	844
<b>Total receivables</b>	<b>1,591</b>	<b>1,592</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**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Accrued expenses	56	8
<b>Total payables</b>	<b>56</b>	<b>8</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

**NOTES TO THE ACCOUNTS**  
**For the year ended 30 June 2015**

**14. Cash flow reconciliation**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of cash and cash equivalents at the end of the reporting period:</b>		
Balance as per the statement of cash flows	65,884	65,750
Cash and cash equivalents disclosed in the Statement of Financial	65,884	65,750
<b>Reconciliation of net cash provided by operating activities to net result:</b>		
Net cash provided by ( used in ) operating activities	134	5,266
<b>Movement in assets and liabilities</b>		
Increase/(Decrease) in receivables	( 1 )	245
Increase/(Decrease) in investments	1,776	1,658
(Increase)/Decrease in payables	( 48 )	77
<b>Net result</b>	<b>1,861</b>	<b>7,246</b>

**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 \$2.58 million relating to anticipated future 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 were \$8,300 (\$8,100). No other services were provided by the Auditor-General.

**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2015

**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 2015 \$'000	Fair value 2015 \$'000	Carrying amount 2014 \$'000	Fair value 2014 \$'000
<b>Financial assets</b>						
Cash and cash equivalents	Cash and cash equivalents	10	65,884	65,884	65,750	65,750
Available for sale investments	Investments	11	54,868	54,868	52,270	52,270
Receivables	Receivables <sup>(1)</sup>	12	1,591	1,591	1,592	1,592
	Total financial assets at cost		122,343	122,343	119,612	119,612
<b>Financial liabilities</b>						
Financial liabilities at cost	Payables <sup>(1)</sup>	13	48	48	-	-
	Total financial liabilities at cost		48	48	-	-

(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.

**b Credit Risk**

At reporting date funds totalling \$55.6 million were invested with the Public Trustee. Pooled investment funds are not rated for credit risk. The Public Trustee considers the credit risk of individual fund managers prior to investing funds and reviews these assessments quarterly.

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

## NOTES TO THE ACCOUNTS

For the year ended 30 June 2015

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.

	Contractual Maturities			
	Carrying amount (\$'000)	< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
<b>2015</b>				
<b>Financial assets</b>				
Cash & cash equivalents	65,884	65,884	-	-
Investments	54,868	27,963	26,905	-
Receivables (1)	1,591	1,591	-	-
<b>Total Financial assets</b>	<b>122,343</b>	<b>95,438</b>	<b>26,905</b>	-
<b>Financial liabilities</b>				
Payables (1)	48	48	-	-
<b>Total Financial liabilities</b>	<b>48</b>	<b>48</b>	-	-

	Contractual Maturities			
	Carrying amount (\$'000)	< 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>Financial liabilities</b>				
Payables (1)	-	-	-	-
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</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 2015

**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**

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>2015</b>					
<b>Financial Assets</b>					
Cash and Cash	65,884	(659)	659	-	-
Investments	54,868	-	-	(549)	549
<b>Total</b>		<b>(659)</b>	<b>659</b>	<b>(549)</b>	<b>549</b>

	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	65,750	(658)	658	-	-
Investments	52,270	-	-	(523)	523
<b>Total</b>		<b>(658)</b>	<b>658</b>	<b>(523)</b>	<b>523</b>

**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2015

**Note 18. Transactions with SA Government**

The following table discloses revenues, 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.

Note	SA Government		Non SA Government		Total		
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	
<b>Income</b>							
4	Interest and investment revenue	3,236	3,160	5,294	5,138	8,530	8,298
5	Other income	150	140	-	4	150	144
	<b>Total income</b>	<b>3,386</b>	<b>3,300</b>	<b>5,294</b>	<b>5,142</b>	<b>8,680</b>	<b>8,442</b>
<b>Expenses</b>							
6	Administration	542	417	6	-	548	417
	Grants	-	-	482	625	482	625
7	Claims	-	-	5,327	-	5,327	-
8	Professional costs	-	-	328	40	328	40
9	Other	8	8	126	106	134	114
	<b>Total expenses</b>	<b>550</b>	<b>425</b>	<b>6,269</b>	<b>771</b>	<b>6,819</b>	<b>1,196</b>
<b>Financial assets</b>							
10	Cash and cash equivalents	65,884	65,750	-	-	65,884	65,750
11	Investments	54,868	52,270	-	-	54,868	52,270
12	Receivables	836	748	755	844	1,591	1,592
	<b>Total financial assets</b>	<b>121,588</b>	<b>118,768</b>	<b>755</b>	<b>844</b>	<b>122,343</b>	<b>119,612</b>
<b>Financial liabilities</b>							
13	Payables	8	8	48	-	56	8
	<b>Total financial liabilities</b>	<b>8</b>	<b>8</b>	<b>48</b>	<b>-</b>	<b>56</b>	<b>8</b>

**Note 19. Events after reporting period**

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



Level 9  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
DX 56208  
Victoria Square  
Tel +618 8226 9640  
Fax +618 8226 9688  
ABN 53 327 061 410  
audgensa@audit.sa.gov.au  
www.audit.sa.gov.au

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 102(2) of the *Residential Tenancies Act 1995*, I have audited the accompanying financial report of the Residential Tenancies Fund for the financial year ended 30 June 2015. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2015
- a Statement of Financial Position as at 30 June 2015
- a Statement of Changes in Equity for the year ended 30 June 2015
- a Statement of Cash Flows for the year ended 30 June 2015
- notes, comprising a summary of significant accounting policies and other explanatory information for administered items
- a Certificate from the Deputy Commissioner and Director Compliance and Enforcement Consumer and Business Services and the Executive Director, Finance, People and Performance.

**The Commissioner for Consumer Affairs' Responsibility for the Financial Report**

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

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commissioner for Consumer Affairs, as well as the overall presentation of the financial report.

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

### **Opinion**

In my opinion, the financial report gives a true and fair view of the financial position of the Residential Tenancies Fund as at 30 June 2015, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.



Andrew Richardson

**Auditor-General**

30 October 2015

## 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 2015 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.



George Kamencak  
**Deputy Commissioner and Director  
Compliance and Enforcement  
Consumer and Business Services**



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

Date: 30 OCTOBER 2015

Date: 30 OCTOBER 2015

# **RESIDENTIAL TENANCIES FUND**

## **Annual Financial Statements**

**For the year ended 30 June 2015  
As at 30 June 2015**

**RESIDENTIAL TENANCIES FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**

For the Year Ended 30 June 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Income</b>			
Investment & Interest revenue	4	7,327	7,049
Other income	5	621	517
Donated assets		36	-
<b>Total income</b>		<b>7,984</b>	<b>7,566</b>
<b>Expenses</b>			
Employee benefits expenses	6	3,531	4,502
Supplies and services	7	2,144	1,635
Depreciation and amortisation expenses	8	167	15
Other expenses	9	26	20
<b>Total expenses</b>		<b>5,868</b>	<b>6,172</b>
<b>Net result</b>		<b>2,116</b>	<b>1,394</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		2,173	5,852
Changes in property, plant and equipment revaluation surplus		134	-
<b>Total comprehensive result</b>		<b>4,423</b>	<b>7,246</b>

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

**RESIDENTIAL TENANCIES FUND**  
**STATEMENT OF FINANCIAL POSITION**  
As at 30 June 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Current assets</b>			
Cash and cash equivalents	10	5,495	10,992
Investments	11	85,008	78,960
Receivables	12	2,920	2,618
<b>Total current assets</b>		<b>93,423</b>	<b>92,570</b>
<b>Non-current assets</b>			
Plant and equipment	13	158	35
Intangible assets	14	783	728
Investments	11	110,278	100,305
<b>Total non-current assets</b>		<b>111,219</b>	<b>101,068</b>
<b>Total assets</b>		<b>204,642</b>	<b>193,638</b>
<b>Current liabilities</b>			
Security bonds lodged	16	81,837	76,890
Payables	17	1,252	1,108
<b>Total current liabilities</b>		<b>83,089</b>	<b>77,998</b>
<b>Non-current liabilities</b>			
Security bonds lodged	16	89,539	88,049
<b>Total non-current liabilities</b>		<b>89,539</b>	<b>88,049</b>
<b>Total liabilities</b>		<b>172,628</b>	<b>166,047</b>
<b>Net assets</b>		<b>32,014</b>	<b>27,591</b>
<b>Equity</b>			
Investments market value reserve		10,820	8,647
Asset revaluation surplus		190	56
Retained earnings		21,004	18,888
<b>Total equity</b>		<b>32,014</b>	<b>27,591</b>
Unrecognised contractual commitments	19		
Contingent assets and liabilities	19		

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 2015

	Note No.	Investment Market Value Reserve	Asset revaluatio n surplus	Retained earnings	Total
		\$'000	\$'000	\$'000	\$'000
<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>
Net result for 2014-15		-	-	2,116	2,116
Gains on revaluation of leasehold improvements during 2014-15		-	134	-	134
Gains taken to equity		2,173	-	-	2,173
Total comprehensive result 2014-15		2,173	134	2,116	4,423
<b>Balance as at 30 June 2015</b>		<b>10,820</b>	<b>190</b>	<b>21,004</b>	<b>32,014</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 2015

	Note No.	2015 Inflows (Outflows) \$'000	2014 Inflows (Outflows) \$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Bond lodgements		88,074	83,927
Bond guarantee receipts		7,896	7,328
Investment & Interest receipts		1,399	1,129
Other receipts		177	35
<b>Cash generated from operations</b>		<b>97,546</b>	<b>92,419</b>
<b>Cash outflows</b>			
Bond refunds		( 81,831 )	( 76,887 )
Bond guarantee payments		( 7,716 )	( 7,153 )
Employee benefit payment		( 3,321 )	( 4,105 )
Payments for supplies and services		( 1,933 )	( 1,963 )
Other payments		( 40 )	-
<b>Cash used in operations</b>		<b>( 94,841 )</b>	<b>( 90,108 )</b>
<b>Net cash provided by operating activities</b>	18	<b>2,705</b>	<b>2,311</b>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Purchases for property, plant and equipment		( 402 )	( 332 )
Purchases for investments		( 7,800 )	-
<b>Cash used in investing activities</b>		<b>( 8,202 )</b>	<b>( 332 )</b>
<b>Net cash used in investing activities</b>		<b>( 8,202 )</b>	<b>( 332 )</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>( 5,497 )</b>	<b>1,979</b>
Cash and cash equivalents at the beginning of the financial year		10,992	9,013
<b>Cash and cash equivalents at the end of the financial year</b>	10	<b>5,495</b>	<b>10,992</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 2015. 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 22;



## **RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS**

- 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 the 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 2015 and the comparative information presented.

### **c) Reporting Entity**

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

### **d) Comparative Information**

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

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

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

### **e) Rounding**

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

### **f) Taxation**

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

### **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:

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### *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.

### *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.

### *Supplies and services*

Supplies and services includes accommodation expenses (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.

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

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.

#### *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 2015 the Fund held investments in common funds in the following

Capital Stable	23.48%
Balanced	32.30%
Net Liabilities / Receivables	1.22%
Cash Common Fund	43.00%

## **RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS**

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.

Revaluation increments and decrements are recognised in the Investment market value reserve except where, and to the extent, the decrement exceeds the balance of the reserve which is recognised as expenses or the increment reverses previous decrements which are recognised as revenue.

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.

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

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

### *Impairment*

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

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

### *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 Fund 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 Fund has been unable to attribute this expenditure to the intangible asset rather than to the Fund 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.

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### *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. 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 13A and 15 for disclosure regarding fair value measurement techniques and inputs to develop fair value measurements for non 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 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 2015 is \$50.2 million (\$43.9 million).

## **RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS**

### **l) Unrecognised contractual commitments and contingent assets and liabilities**

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

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

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

### **m) Events after the reporting period**

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

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

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

The fund did not voluntarily change any of its accounting policies during 2014-15.

Except for AASB 2015-7 which the Fund has early adopted, Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the department for the period ending 30 June 2015. The Fund has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Fund.

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

**Note 4. Investment & Interest revenue**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Distribution on Investments held with Public Trustee	3,691	3,365
Interest on Investments held with Public Trustee	2,229	2,352
Interest on deposits with Housing SA	1,161	1,136
Interest on deposits with the Department of Treasury and Finance	246	196
<b>Total investment &amp; interest revenue</b>	<b>7,327</b>	<b>7,049</b>

**Note 5. Other income**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Management fee recovery	515	482
Sundry recovery	106	35
<b>Total other income</b>	<b>621</b>	<b>517</b>

**Note 6. Employee benefits expenses**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	2,273	2,818
Board fees	798	1,000
Employee on-costs - payroll tax and superannuation	466	591
Other	(6)	93
<b>Total employee benefits expenses</b>	<b>3,531</b>	<b>4,502</b>

**Note 7. Supplies and services**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Accommodation	769	791
Information and communications technology	363	203
Contract staff	400	86
Office expenses	167	147
Bailiff fees	79	124
Telephone related expenses	67	72
Other	299	212
<b>Total supplies and services</b>	<b>2,144</b>	<b>1,635</b>

**Note 8. Depreciation and amortisation expenses**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Leasehold improvements	11	11
Plant and equipment	-	4
Intangible assets	156	-
<b>Total depreciation and amortisation expenses</b>	<b>167</b>	<b>15</b>



**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

**Note 9. Other expenses**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Auditor's Remuneration</b>		
Audit Fees paid/payable to the Auditor-General's Department relating to the audit of the financial statements	26	20
<b>Total other expenses</b>	<b>26</b>	<b>20</b>

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

**Note 10. Cash and cash equivalents**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with Treasurer	5,495	10,992
<b>Total cash and cash equivalents</b>	<b>5,495</b>	<b>10,992</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**

<b>Current</b>	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Investment	85,008	78,960
<b>Total of Current Investments</b>	<b>85,008</b>	<b>78,960</b>

<b>Non-Current</b>	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Investment	110,278	100,305
<b>Total of Non-Current Investments</b>	<b>110,278</b>	<b>100,305</b>
<b>Total of Investments</b>	<b>195,286</b>	<b>179,265</b>

**Note 12. Receivables**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Accrued interest	2,582	2,490
Other	338	128
<b>Total receivables</b>	<b>2,920</b>	<b>2,618</b>

- a) Maturity analysis of receivables - Refer to table in note 21
- b) Categorisation of financial instruments and risk exposure information - Refer to note 21

**RESIDENTIAL TENANCIES FUND**  
**NOTES TO THE ACCOUNTS**

**Note 13A. Plant and equipment**

	2015 \$'000	2014 \$'000
Leasehold improvements <sup>(1)</sup>		
Leasehold improvements at valuation	323	373
Accumulated amortisation	(165)	(338)
<b>Total leasehold improvements</b>	<b>158</b>	<b>35</b>
Plant and equipment		
Plant and equipment at cost (deemed fair value)	129	129
Accumulated depreciation	(129)	(129)
<b>Total Plant and equipment</b>	<b>-</b>	<b>-</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>
<b>Total property, plant and equipment</b>	<b>158</b>	<b>35</b>

(1) Valuations of leasehold improvements were performed by Martin Burns, M.B.A., B.App.Sc. Property Resource Management, AAPI, an independent Certified Practising Valuer of Liquid Pacific as at 30 June 2015.

(2) There were no indications of impairment of plant and equipment at 30 June 2015

**Note 13B. Plant and equipment movement schedule**

	Leasehold Improvements \$'000	Information Technology \$'000	Plant and Equipment \$'000
<b>Carrying amount 1 July 2014</b>	35	-	-
Revaluation	134	-	-
Depreciation	(11)	-	-
<b>Carrying amount 30 June 2015</b>	<b>158</b>	<b>-</b>	<b>-</b>

	Capital work in progress \$'000	Total \$'000
<b>Carrying amount 1 July 2014</b>	-	35
Revaluation	-	134
Depreciation	-	(11)
<b>Carrying amount 30 June 2015</b>	<b>-</b>	<b>158</b>

	Leasehold Improvements \$'000	Information Technology \$'000	Plant and Equipment \$'000
<b>Carrying amount 1 July 2013</b>	45	-	4
Depreciation	(11)	-	(4)
Other change	1	-	-
<b>Carrying amount 30 June 2014</b>	<b>35</b>	<b>-</b>	<b>-</b>

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

	<b>Capital work in progress</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount 1 July 2013</b>	500	549
Depreciation	-	(15)
Transfer to (from) work in progress	(500)	(500)
Other change	-	1
<b>Carrying amount 30 June 2014</b>	-	<b>35</b>

**Note 14A. Intangible assets**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Intangible assets		
Intangible assets at cost	952	728
Accumulated amortisation	(169)	-
<b>Total intangible assets</b>	<b>783</b>	<b>728</b>

**Note 14B. Intangible assets movement schedule**

	<b>Intangible assets</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount 1 July 2014</b>	728	728
Addition	175	175
Donated assets	36	36
Amortisation	(156)	(156)
<b>Carrying amount 30 June 2015</b>	<b>783</b>	<b>783</b>

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

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### Note 15. 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 Fund 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 2015.

	Level 3	2015
	\$'000	\$'000
<b>Recurring Fair value measurements at 30 June 2015</b>		
Leasehold improvements (note 13A)	158	158
Plant and Equipment (note 13A)	-	-
Information technology (note 13A)	-	-
<b>Total recurring fair value measurements</b>	<b>158</b>	<b>158</b>

	Level 3	2014
	\$'000	\$'000
<b>Recurring Fair value measurements at 30 June 2014</b>		
Leasehold improvements (note 13A)	35	35
Plant and Equipment (note 13A)	-	-
Information technology (note 13A)	-	-
<b>Total recurring fair value measurements</b>	<b>35</b>	<b>35</b>

There were no transfers of assets between level 1 and 2 fair value hierarchy levels in 2015. The Fund's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

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

	Leasehold Improvements \$'000	Information Technology \$'000	Plant and Equipment \$'000	Total \$'000
<b>Opening balance at 1 July 2014</b>	35	-	-	35
<b>Subtotal</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>35</b>
<b>Gain/(losses) for the period recognised in net result:</b>				
Depreciation	(11)	-	-	(11)
<b>Subtotal</b>	<b>(11)</b>	<b>-</b>	<b>-</b>	<b>(11)</b>
<b>Gains/(losses) for the period recognised in other comprehensive income (OCI):</b>				
Revaluation	134	-	-	134
<b>Total gains/(losses) recognised in OCI</b>	<b>134</b>	<b>-</b>	<b>-</b>	<b>134</b>
<b>Closing balance at 30 June 2015</b>	<b>158</b>	<b>-</b>	<b>-</b>	<b>158</b>

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

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

	Leasehold Improvements \$'000	Information Technology \$'000	Plant and Equipment \$'000	Total \$'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>35</b>

**Note 16. Security bonds lodged**

	2015 \$'000	2014 \$'000
<b>Current</b>		
Bonds lodged	81,837	76,875
<b>Total current security bonds lodged</b>	<b>81,837</b>	<b>76,875</b>
<b>Non Current</b>		
Bonds lodged	89,539	88,064
<b>Total non-current security bonds lodged</b>	<b>89,539</b>	<b>88,064</b>
<b>Total security bonds lodged</b>	<b>171,376</b>	<b>164,939</b>

**RESIDENTIAL TENANCIES FUND  
NOTES TO THE ACCOUNTS**

**Note 17. Payables**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Creditors	1,228	938
Accrued Expenses	24	20
Guarantee release	-	150
<b>Total payables</b>	<b>1,252</b>	<b>1,108</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 21

b) Categorisation of financial instruments and risk exposure information - Refer to note 21

**Note 18. Cash flow reconciliation**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of cash and cash equivalents at the end of the reporting period:</b>		
Balance as per the Statement of Cash Flows	5,495	10,992
Cash and cash equivalents disclosed in the Statement of Financial Position	5,495	10,992
<b>Reconciliation of net cash provided by operating activities to net result</b>		
Net cash provided by (used in) operating activities	2,705	2,311
<b>Add/less non cash items</b>		
Depreciation expense of non current assets	(167)	(15)
Donated asset received	36	-
<b>Movement in assets and liabilities</b>		
Increase / ( decrease) in receivables	302	673
Increase / ( decrease) in investments	6,047	5,857
(Decrease) increase in payables	(370)	(243)
(Increase) in security bonds	(6,437)	(7,189)
<b>Net result</b>	<b>2,116</b>	<b>1,394</b>

**Note 19. 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 2015 is \$109,000 (2014 - \$110,000).

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### Note 20. Remuneration of Board and Committee members

Members of the Residential Tenancies Tribunal (Exp: 30 March 2015) that were entitled to receive remuneration for membership during the 2014-15 financial year were:

M S Alvino	I W Garnham	G N Twohig
H J Anderson	S Georgiadis	R T Vincent
B E Johns	S W Andrew	J Barnes
P V Carey	P K Mickan	M Radin
P J Duffy	T M Rymill	J Bakas
J S Dunstone		S J G Thomas

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

	2015	2014
\$0 - \$9 999	3	3
\$20 000 - \$29 999	3	1
\$30 000 - \$39 999	1	1
\$40 000 - \$49 999	5	1
\$50 000 - \$59 999	2	1
\$60 000 - \$69 999	1	5
\$70 000 - \$79 999	-	2
\$100 000 - \$109 999	-	1
\$110 000 - \$119 999	1	-
\$130 000 - \$139 999	1	-
\$140 000 - \$149 999	-	1
\$270 000 - \$279 999	-	1
<b>Total number of members</b>	<b>17</b>	<b>17</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 Residential Tenancies Tribunal members prior to abolishment in March 2015 was \$0.77 million (\$1.17 million). Amounts paid to a superannuation plan for board/committee members was \$62,500 (\$102,000).

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.

The Residential Tenancies Tribunal was abolished in March 2015 and the functions and some members transitioned to the South Australian Civil and Administrative Tribunal.

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### Note 21. 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 2015	Fair value 2015	Carrying amount 2014	Fair value 2014
			\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
Cash & cash equivalents	Cash & cash equivalents	10	5,495	5,495	10,992	10,992
Available for sale Investments	Investments	11	195,286	195,286	179,265	179,265
Receivables <sup>(1)</sup>	Receivables <sup>(1)</sup>	12	2,920	2,920	2,618	2,618
<b>Financial liabilities</b>						
Payables <sup>(1)</sup>	Payables <sup>(1)</sup>	17	1,228	1,228	1,088	1,088
Security bond lodged	Other financial liabilities	16	171,376	171,376	164,939	164,939

#### *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 \$195.3 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.



## RESIDENTIAL TENANCIES FUND

### NOTES TO THE ACCOUNTS

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

c. Ageing analysis of financial assets

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

d. Maturity analysis of financial assets & financial liabilities

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

	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
<b>2015</b>				
<b>Financial assets</b>				
Cash & cash equivalents	5,495	5,495	-	-
Investments	195,286	85,008	110,278	-
Receivables <sup>(1)</sup>	2,920	2,920	-	-
Other financial assets	-	-	-	-
<b>Total Financial assets</b>	<b>203,701</b>	<b>93,423</b>	<b>110,278</b>	<b>-</b>
<b>Financial liabilities</b>				
Payables <sup>(1)</sup>	1,228	1,228	-	-
Other financial liabilities	171,376	81,837	89,539	-
<b>Total Financial liabilities</b>	<b>172,604</b>	<b>83,065</b>	<b>89,539</b>	<b>-</b>

	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>-</b>

	Carrying amount (\$'000)	Contractual Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
<b>Financial liabilities</b>				
Payables <sup>(1)</sup>	1,088	1,088	-	-
Other financial liabilities	164,939	76,875	88,064	-
<b>Total Financial liabilities</b>	<b>166,027</b>	<b>77,963</b>	<b>88,064</b>	<b>-</b>

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

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### e. Liquidity Risk

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

### f. Market Risk

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

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

Cash is also subject to interest rate risk.

### g. Sensitivity Disclosure Analysis

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

	Carrying Amount (\$'000)	Interest Rate Risk		Price Risk	
		-1% Net Result (\$'000)	1% Net Result (\$'000)	-1% Equity (\$'000)	1% Equity (\$'000)
<b>2015</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	5,495	(55)	55	-	-
Investments	195,286	-	-	(1,953)	1,953
<b>Total increase/(decrease)</b>		<b>(55)</b>	<b>55</b>	<b>(1,953)</b>	<b>1,953</b>
<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>

## RESIDENTIAL TENANCIES FUND NOTES TO THE ACCOUNTS

### Note 22. Transactions with SA Government

The following table discloses revenues, 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. Transactions with SA Government entities below the threshold of \$100 000 have been included with the non-government transactions, classified according to their nature.

Note	SA Government		Non SA Government		Total		
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	
<b>Income</b>							
4	Investment & Interest revenue	7,327	7,049	-	-	7,327	7,049
5	Other Income	515	482	106	35	621	517
	Donated assets	36	-	-	-	36	-
	<b>Total income</b>	<b>7,878</b>	<b>7,531</b>	<b>106</b>	<b>35</b>	<b>7,984</b>	<b>7,566</b>
<b>Expenses</b>							
6	Employee benefits expenses	3,531	4,502	-	-	3,531	4,502
7	Supplies and Services	2,144	1,635	-	-	2,144	1,635
8	Depreciation and amortisation	167	15	-	-	167	15
9	Other expenses	26	20	-	-	26	20
	<b>Total expenses</b>	<b>5,868</b>	<b>6,172</b>	<b>-</b>	<b>-</b>	<b>5,868</b>	<b>6,172</b>
<b>Financial assets</b>							
10	Cash and cash equivalents	5,495	10,992	-	-	5,495	10,992
12	Receivables	2,920	2,618	-	-	2,920	2,618
11	Investments	195,286	179,265	-	-	195,286	179,265
	<b>Total financial assets</b>	<b>203,701</b>	<b>192,875</b>	<b>-</b>	<b>-</b>	<b>203,701</b>	<b>192,875</b>
<b>Financial liabilities</b>							
16	Security bonds lodged	-	-	171,376	164,939	171,376	164,939
17	Payables	1,252	1,108	-	-	1,252	1,108
	<b>Total financial liabilities</b>	<b>1,252</b>	<b>1,108</b>	<b>171,376</b>	<b>164,939</b>	<b>172,628</b>	<b>166,047</b>

### Note 23. Events after reporting period

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



Level 9  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
DX 56208  
Victoria Square  
Tel +618 8226 9640  
Fax +618 8226 9688  
ABN 53 327 061 410  
audgensa@audit.sa.gov.au  
www.audit.sa.gov.au

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, section 6(2) of Schedule 3 of the *Second-hand Vehicles Dealers Act 1995*, I have audited the accompanying financial report of the Second-hand Vehicles Compensation Fund for the financial year ended 30 June 2015. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2015
- a Statement of Financial Position as at 30 June 2015
- a Statement of Changes in Equity for the year ended 30 June 2015
- a Statement of Cash Flows for the year ended 30 June 2015
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Deputy Commissioner and Director Compliance and Enforcement Consumer and Business Services and the Executive Director Finance, People and Performance.

**The Commissioner for Consumer Affairs' Responsibility for the Financial Report**

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

**Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Commissioner for Consumer Affairs, as well as the overall presentation of the financial report.

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

### **Opinion**

In my opinion, the financial report gives a true and fair view of the financial position of the Second-hand Vehicles Compensation Fund as at 30 June 2015, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.



Andrew Richardson  
**Auditor-General**  
30 October 2015

## 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 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 Fund as at 30 June 2015 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.



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George Kamencak  
**Deputy Commissioner and Director  
Compliance and Enforcement  
Consumer and Business Services**

Date: 30 OCTOBER 2015.



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

Date: 30 OCTOBER 2015

**SECOND HAND VEHICLES COMPENSATION FUND**

**Annual Financial Statements**

**For the year ended 30 June 2015  
As at 30 June 2015**

**SECOND HAND VEHICLES COMPENSATION FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 30 June 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Income</b>			
Contribution by licensees		330	305
Interest and investment revenue	4	170	170
Other income	5	10	10
<b>Total income</b>		<b>510</b>	<b>485</b>
<b>Expenses</b>			
Administration	6	409	404
Claims	7	12	24
Other expenses	8	7	8
<b>Total expenses</b>		<b>428</b>	<b>436</b>
<b>Net result</b>		<b>82</b>	<b>49</b>
<b>Other Comprehensive Income</b>			
<i>Items that will be reclassified subsequently to net result</i>			
Market value movement of investments		51	118
<b>Total other comprehensive income</b>		<b>51</b>	<b>118</b>
<b>Total comprehensive result</b>		<b>133</b>	<b>167</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 2015

	Note No.	2015 \$'000	2014 \$'000
<b>Current assets</b>			
Cash and cash equivalents	10	2,383	2,423
Investments	11	1,992	1,875
Receivables	12	49	43
<b>Total current assets</b>		<b>4,424</b>	<b>4,341</b>
<b>Non-current assets</b>			
Investments	11	1,658	1,607
<b>Total non-current assets</b>		<b>1,658</b>	<b>1,607</b>
<b>Total assets</b>		<b>6,082</b>	<b>5,948</b>
<b>Current liabilities</b>			
Payables	13	6	5
<b>Total current liabilities</b>		<b>6</b>	<b>5</b>
<b>Total liabilities</b>		<b>6</b>	<b>5</b>
<b>Net Assets</b>		<b>6,076</b>	<b>5,943</b>
<b>Equity</b>			
Investments market value reserve		180	129
Retained earnings		5,896	5,814
<b>Total Equity</b>		<b>6,076</b>	<b>5,943</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 2015

	Investments market value reserve \$'000	Retained earnings \$'000	Total \$'000
<b>Balance at 30 June 2013</b>	<b>11</b>	<b>5,765</b>	<b>5,776</b>
Net result for 2013-14	-	49	49
Gains taken to equity	118	-	118
Total comprehensive result for 2013-14	118	49	167
<b>Balance at 30 June 2014</b>	<b>129</b>	<b>5,814</b>	<b>5,943</b>
Net result for 2014-15	-	82	82
Gains taken to equity	51	-	51
Total comprehensive result for 2014-15	51	82	133
<b>Balance at 30 June 2015</b>	<b>180</b>	<b>5,896</b>	<b>6,076</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 2015

	Note No.	2015 Inflows (Outflows) \$'000	2014 Inflows (Outflows) \$'000
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Contribution by licensees		330	305
Interest and investment receipts		37	61
Other receipts		20	22
<b>Cash generated from operations</b>		<b>387</b>	<b>388</b>
<b>Cash outflows</b>			
Administration		( 409 )	( 404 )
Claims		( 12 )	( 36 )
Other payments		( 6 )	( 9 )
<b>Cash used in operations</b>		<b>( 427 )</b>	<b>( 449 )</b>
<b>Net cash used in operating activities</b>	15	<b>( 40 )</b>	<b>( 61 )</b>
<b>Net decrease in cash and cash equivalents</b>		<b>( 40 )</b>	<b>( 61 )</b>
Cash and cash equivalents at the beginning of the period		2,423	2,484
<b>Cash and cash equivalents at the end of the period</b>	10	<b>2,383</b>	<b>2,423</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 2015**

**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 provisions 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 2015. 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;
- 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; and
- 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.

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 the 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.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30 June 2015**

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2015 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.

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.

## SECOND HAND VEHICLES COMPENSATION FUND

### NOTES TO THE ACCOUNTS

For the year ended 30 June 2015

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.

#### *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 2015 the Fund held investments in common funds in the following proportions:

Cash	55.08%
Balanced Investment Strategy	44.92%

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.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30 June 2015**

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.

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 2014-15.

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 2015. 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 2015

**Note 4 Interest and investment revenue**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest from the Department of Treasury and Finance	56	59
Interest from Public Trustee investments	53	56
Distributions from Public Trustee investments	61	55
<b>Total Interest and investment revenue</b>	<b>170</b>	<b>170</b>

**Note 5 Other income**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Management fee recovery	10	9
Sundry recovery	-	1
<b>Total other income</b>	<b>10</b>	<b>10</b>

**Note 6 Administration**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Administration expenses	409	404
<b>Total administration expenses</b>	<b>409</b>	<b>404</b>

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

**Note 7 Claims**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Claim expenses	12	24
<b>Total claim expenses</b>	<b>12</b>	<b>24</b>

Claim expenses to settle valid unsatisfied claims against 1 (2014 - 2) second hand vehicle dealer(s).

**Note 8 Other Expenses**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Other (incl. audit fees)	7	8
<b>Total other expenses</b>	<b>7</b>	<b>8</b>



**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2015

**Note 9 Auditor's Remuneration**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Audit Fees paid/payable to the Auditor-General's Department relating to the audit of the financial statements.	6	5
<b>Total audit fees</b>	<b>6</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).

**Note 10 Cash and cash equivalents**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer	2,383	2,423
<b>Total cash and cash equivalents</b>	<b>2,383</b>	<b>2,423</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**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Funds invested with the Public Trustee	1,992	1,875
<b>Total current investments</b>	<b>1,992</b>	<b>1,875</b>
<b>Non-Current</b>		
Funds invested with the Public Trustee	1,658	1,607
<b>Total non-current investments</b>	<b>1,658</b>	<b>1,607</b>
<b>Total investments</b>	<b>3,650</b>	<b>3,482</b>

**Valuation of Investments**

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

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2015

**Note 12 Receivables**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Accrued interest	49	43
<b>Total receivables</b>	<b>49</b>	<b>43</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**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Accrued Expenses	6	5
<b>Total payables</b>	<b>6</b>	<b>5</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.

**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**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
<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	2,383	2,423
Balance as per the Statement of Cash Flows	2,383	2,423
<b>Reconciliation of net cash provided by operating activities to net result:</b>		
Net cash used in operating activities	(40)	(61)
<b>Movement in assets and liabilities</b>		
Increase / (decrease) in receivables	6	(14)
Increase / (decrease) in current investments	117	111
(Increase) / decrease in payables	(1)	13
<b>Net result</b>	<b>82</b>	<b>49</b>

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
For the year ended 30 June 2015

**Note 16 Financial Instruments**

**(a) Categorisation of financial instruments**

Details of the significant accounting policies and methods adopted including the criteria for

Category of financial asset and financial liabilities	Statement of Financial Position line item	Note	Carrying amount 2015 \$'000	Fair value 2015 \$'000	Carrying amount 2014 \$'000	Fair value 2014 \$'000
<b>Financial assets</b>						
Cash and cash equivalents	Cash and cash equivalents	10	2,383	2,383	2,423	2,423
Available for sale investments	Investments	11	3,650	3,650	3,482	3,482
Receivables	Receivables <sup>(1)</sup>	12	49	49	43	43
	<b>Total financial assets</b>		<b>6,082</b>	<b>6,082</b>	<b>5,948</b>	<b>5,948</b>
<b>Financial liabilities</b>						
Financial liabilities at cost	Payables <sup>(1)</sup>	13	-	-	-	-
	<b>Total financial liabilities at cost</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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.

**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 \$3.69 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 2015

**(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.

	Contractual Maturities			
	Carrying amount (\$'000)	<1 year (\$'000)	1-5 years (\$'000)	>5 years (\$'000)
<b>2015</b>				
<b>Financial assets</b>				
Cash & cash equivalents	2,383	2,383	-	-
Investments	3,650	1,992	1,658	-
Receivables <sup>(1)</sup>	49	49	-	-
Other financial assets	-	-	-	-
<b>Total financial assets</b>	<b>6,082</b>	<b>4,424</b>	<b>1,658</b>	<b>-</b>
<b>Financial liabilities</b>				
Payables <sup>(1)</sup>	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Contractual Maturities			
	Carrying amount (\$'000)	<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>

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

**(e) Liquidity Risk**

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

**(f) Market Risk**

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

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

Cash is also subject to interest rate risk.

**SECOND HAND VEHICLES COMPENSATION FUND**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 30 June 2015**

**(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>2015</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	2,383	(24)	24	-	-
Investments	3,650	-	-	(37)	37
<b>Total increase/(decrease)</b>		<b>(24)</b>	<b>24</b>	<b>(37)</b>	<b>37</b>
<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>

**SECOND HAND VEHICLES COMPENSATION FUND  
NOTES TO THE ACCOUNTS**

For the year ended 30 June 2015

**Note 17 Transactions with SA Government**

The following table discloses revenues, 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.

Note	SA Government		Non SA Government		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
	<b>Income</b>					
	-	-	330	305	330	305
4	170	170	-	-	170	170
5	10	9	-	1	10	10
	<b>180</b>	<b>179</b>	<b>330</b>	<b>306</b>	<b>510</b>	<b>485</b>
	<b>Expenses</b>					
6	409	404	-	-	409	404
7	-	-	12	24	12	24
9	6	7	1	1	7	8
	<b>415</b>	<b>411</b>	<b>13</b>	<b>25</b>	<b>428</b>	<b>436</b>
	<b>Financial assets</b>					
10	2,383	2,423	-	-	2,383	2,423
11	3,650	3,482	-	-	3,650	3,482
12	49	43	-	-	49	43
	<b>6,082</b>	<b>5,948</b>	<b>-</b>	<b>-</b>	<b>6,082</b>	<b>5,948</b>
	<b>Financial liabilities</b>					
13	6	5	-	-	6	5
	<b>6</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>5</b>

**Note 18 Events after reporting period**

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

Consumer and Business Services  
Attorney-General's Department  
GPO Box 1719  
ADELAIDE SA 5001



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