

Annual Report

Commissioner for Consumer Affairs 2000/2001



Government
of South Australia

31 October 2001

To the Honourable
The Minister for Consumer Affairs

I have pleasure in submitting to you my annual report for the period ending 30 June 2001 under the following Acts:

Building Work Contractors' Act 1995; Consumer Credit (South Australia) Act 1995; Consumer Transactions Act 1972; Conveyancers Act 1994; Credit Administration Act 1995; Fair Trading Act 1987; Hairdressers Act 1988; Land Agents Act 1994; Land and Business (Sale and Conveyancing) Act 1994; Land Valuers Act 1994; Manufacturers' Warranties Act 1974; Misrepresentation Act 1972; Plumbers, Gas Fitters and Electricians Act 1995; Prices Act 1948; Residential Tenancies Act 1995; Retail and Commercial Leases Act 1995; Second-hand Vehicle Dealers Act 1995; Security and Investigation Agents' Act 1995; Trade Measurement Act 1993; Trade Measurement (Administration) Act 1993; Trade Standards Act 1979; Travel Agents Act 1986.

I also report under Section 8a of the Companies (Administration) Act 1982 and Section 49 (7) of the Evidence Act 1929, the administration of the Associations Incorporation Act 1985; Business Names Act 1996; Co-operatives Act 1997 and the Starr-Bowkett Societies Act 1975 and certain functions in relation to the Partnership Act 1891; Da Costa Samaritan Fund (Incorporation of Trustees) Act 1953; Maralinga Tjarutja Land Rights Act 1984; Pitjantjatjara Land Rights Act 1981 and the Trustee Companies Act 1988



Mark Bodycoat
Commissioner for Consumer Affairs
Commissioner for Prices
Commissioner for Corporate Affairs

Contents

Introduction	4
Organisation Chart	6
Terminology	7
Legislative Framework	8
Statutory Functions	10
Human Resources & Occupational Health and Safety	10
Key Result Area One: Achieving customer satisfaction through quality service	11
Key Result Area Two: Fostering a fair and balanced marketplace	14
Key Result Area Three: Streamlining processes and minimising the regulatory burden on business	20
Key Result Area Four: Meeting organisational objectives through trained and motivated people	22
Appendix One: Analysis of Complaints Investigated by product or service	24
Appendix Two: Analysis of Complaints by practice	26
Appendix Three: Business and Occupational Services	27
Appendix Four: Births, Deaths and Marriages Registration Office	31
Appendix Five: New Publications, Promotional Materials	33
Appendix Six: Corporate Affairs Commission	35
Appendix Seven: Warnings, Assurances, Investigations and Court Actions	39
Appendix Eight: Tenancies Branch, Residential Tenancies Tribunal	47
Appendix Nine: Freedom of Information	49
Appendix Ten: Consultants	49
Appendix Eleven: Residential Tenancies Fund Financial Statement	50
Appendix Twelve: Second-hand Vehicles Compensation Fund Financial Statement	64
Appendix Thirteen: Agents Indemnity Fund Financial Statement	71
Appendix Fourteen: Retail Shop Leases Fund Financial Statement	78

Introduction

Once again, the Office of Consumer and Business Affairs (OCBA) has had a busy year. Behind the public face of the organisation, it has continued to pursue improvements to its systems, which, while not readily visible to the casual observer, will form the foundations for its ongoing customer service delivery for many years. At the same time, OCBA has dealt with ongoing high demand for its services, managed a large number of customer contacts, and maintained a high level of service and customer satisfaction.

The work on improvements to the Occupational Licensing System continued throughout the year. Following improvements to the production and issue of occupational licence cards, OCBA extended the new system to licences in the Trade Measurement field. Work continued on the development and introduction of a substantially revised and simplified licence renewal system and the Business and Occupational Services Branch began a detailed examination of options available for renewing licences online and making the occupational licence registers searchable online.

The revised focus on enhancing education and compliance continued. The outcomes of this activity are readily identifiable in the statistics relating to prosecutions, warnings and assurances, but at the same time, OCBA conducted or participated in a range of initiatives designed to increase consumer awareness and securing improved business compliance with appropriate licensing and fair trading standards. The importance of initiatives with this focus should not be underestimated: they have the ability to substantially reduce the level of inadvertent non-compliance, which may otherwise have to be addressed by enforcement action.

During the year, the impact of the introduction of the Goods and Services Tax was felt most critically in the Consumer Affairs Branch. Significantly, the introduction of the tax was accompanied by a substantial increase in building activity, which indicated a desire on the part of home owners and builders to avoid the impacts of the tax as far as possible by bringing forward proposed building activity. However, the result of this was a substantial shortage in trades and materials, which in turn led to substantial delays, completion difficulties, and a range of disputes over contract price issues. Many of the matters referred to OCBA were complex, and added significantly to its workload.

The last part of the reporting year also saw significant increases in complaint activity arising out of the appointment of administrators and receivers to Harris Scarfe Ltd, and the collapse of HIH Insurance Services. The impacts of the Harris Scarfe situation were confined to a relatively short time period. At the time of reporting, work to resolve the consumer difficulties caused by the collapse of HIH is continuing.

During the year, OCBA significantly restructured the Corporate Affairs and Compliance Branch. The branch is responsible for administering the registration and renewal of business names, a range of legislation formerly administered by the Corporate Affairs Commission, and OCBA investigation and enforcement functions. The restructure has significantly enhanced the branch's ability to cope with the ongoing high activity levels and increasing demand for its services.

A number of legislation reviews were completed, including several further reviews relating to national competition policy. Among the most prominent of these was the review of the Land Agents Act 1994, which provoked particular comment for its recommendations relating to the registration of legal practitioners as agents. Among other significant projects undertaken within OCBA, or with OCBA's prominent participation was the Retail Shop Leases Advisory Committee's commencement of a series of meetings aimed at settling an agreed approach to the issue of Casual Mall Licensing. At the time of reporting, that work is ongoing.

The brief descriptions of the foregoing demonstrate the significance both of OCBA's position and the impact of ongoing change in the community. OCBA's role and its responses to the demands placed on it continue to evolve as the community and OCBA both deal with the changes facing them. However, the significance of OCBA's role in this context is clear. It remains an important source of consumer and business information, assistance, regulation and enforcement. It is also clear that substantial and sustained change will continue to be an important part of the range of challenges facing OCBA for the future.

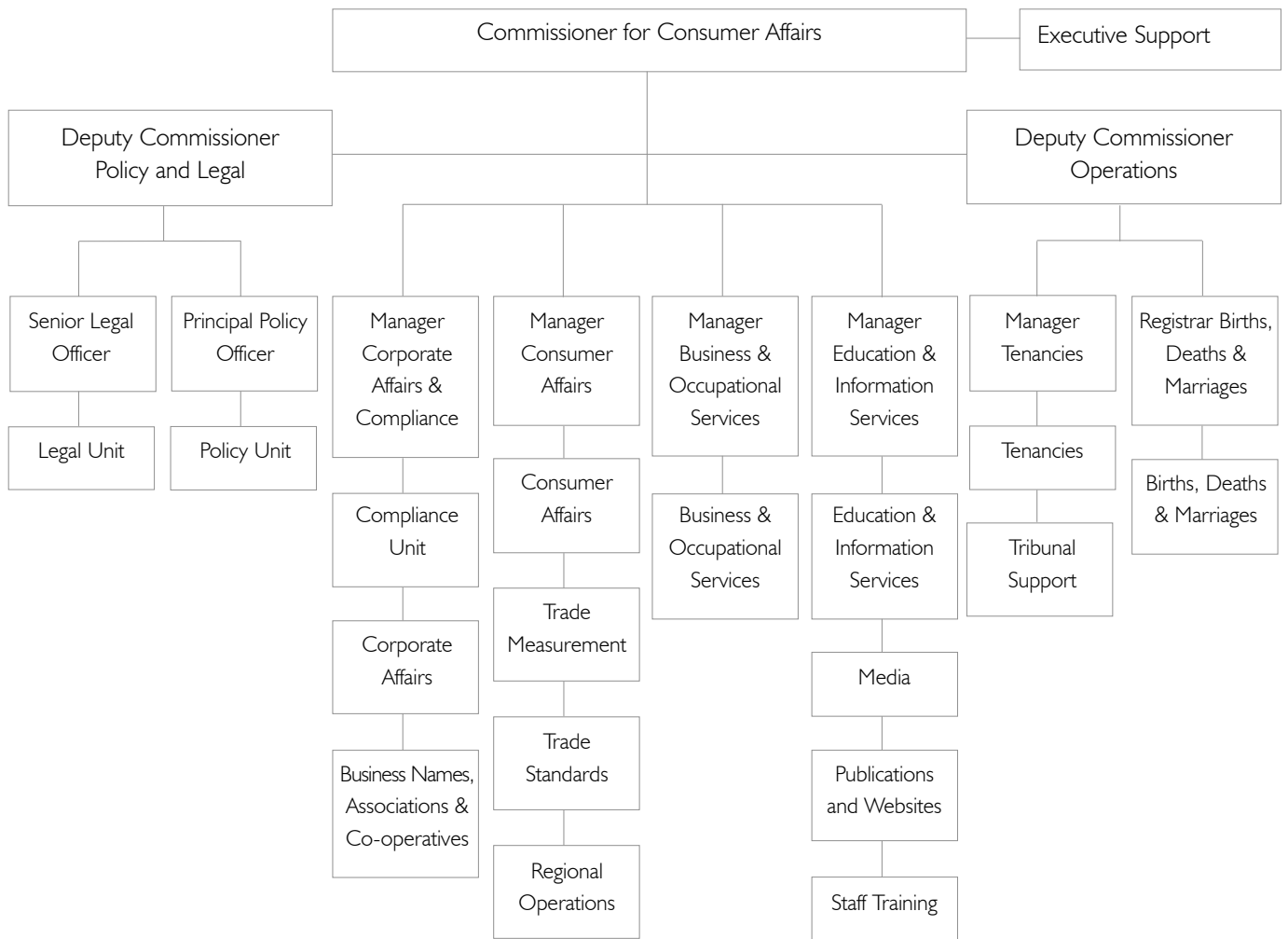
In the year ahead, OCBA will introduce its new strategic plan, continue with its compliance activities and continue to make improvements and revisions to the licensing system. It will pursue initiatives aimed at getting its important messages heard and understood by as many people in the community as need its assistance. In recognition of the ongoing demand for its services throughout the community it will maintain its commitment to rural and country communities and to providing appropriate, relevant and timely services to all the community. As it does this, it will investigate new avenues of service delivery to enhance its ability to respond to and satisfy the expectations of its major stakeholders, and to maintain and improve its service levels.

Once again, I want to record my thanks to the staff of OCBA for their ongoing dedication to the work and the values of the organisation.



Mark Bodycoat
Commissioner for Consumer Affairs
Commissioner for Prices
Commissioner for Corporate Affairs

Organisation Chart



Terminology

BDM - Births, Deaths and Marriages Registration Office

BOS - Business and Occupational Services

CAB - Consumer Affairs Branch

CACB - Corporate Affairs and Compliance Branch

Consumer. . . a person who

- (a) acquires, or proposes to acquire, goods or services; or
- (b) purchases or leases, or proposes to purchase or lease premises, not being a person acting in the course of a business or in the course of setting up a business.

EIS - Education and Information Services

Tenant means a person granted the right to occupy premises under a residential tenancy (when referring to the Residential Tenancies Act, 1995). Residential tenants are also 'consumers'.

Trader is a general term used in this report to cover any trade, business or professional person, including credit providers, insurers, agents and brokers.

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

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

Lessee means the person who has the right to occupy a retail shop under a retail shop lease and includes -

- (a) a sub lessee; and
- (b) a prospective lessee or a former lessee;

Lessor means the person who grants or proposes to grant the right to occupy a retail shop under a retail shop lease, and includes -

- (a) a sublessor; and
- (b) a prospective lessor or a former lessor;

OCBA - Office of Consumer and Business Affairs

Retail shop means

- (a) business premises -
 - (i) at which goods are sold to the public by retail; or
 - (ii) at which services are provided to the public, or to which the public is invited to negotiate for the supply of services; or
- (b) business premises classified by regulation as premises to which this Act applies.

Related Act is a term used in the Fair Trading Act 1987 to refer to any legislation which is administered or which the Fair Trading Regulations require OCBA to enforce.

Legislative Framework

The Commissioner for Consumer Affairs administers the following Acts:

Building Work Contractors Act 1995

under which builders and trades people such as bricklayers and carpenters are licensed and their trading contact with consumers regulated to promote fair dealing.

Consumer Credit (South Australia) Act 1995 & Credit Administration Act 1995

credit practices are now uniform throughout Australia and these two South Australian Acts regulate credit activities in South Australia.

Consumer Transactions Act 1972

which ensures that goods and services meet certain quality standards and which regulates consumer leases.

Conveyancers Act 1994

under which conveyancers are registered and required to have professional indemnity insurance.

Fair Trading Act 1987

which establishes the powers and functions of the Commissioner, prohibits misleading or deceptive and harsh or unconscionable trading conduct and regulates door-to-door selling, advertising, debt collection, credit reporting and other trading activities.

Hairdressers Act 1988

which limits the people who can provide hairdressing services to those properly qualified so to do.

Land Agents Act 1994

under which land agents are registered and aspects of their businesses are regulated to protect consumers.

Land and Business (Sale and Conveyancing Act) 1994

under which the sale of land and businesses and the preparation of conveyancing instruments is regulated.

Land Valuers Act 1994

under which valuers are registered and required to meet minimal educational standards.

Plumbers, Gas Fitters and Electricians Act 1995

which regulates the licensing and registration of plumbers, gas fitters and electricians.

Residential Tenancies Act 1995

which establishes a comprehensive code for the residential landlord and tenant relationship including: the advertising of premises, the inspection of premises prior to entry; the collection of rent; the handling of security bonds and the eviction of tenants.

Retail and Commercial Leases Act 1995

which provides a framework for the leasing of particular retail shops to provide more certainty in relation to lease agreements for both lessees (tenants) and lessors (landlords) and to ensure appropriate information is available to tenants.

Second-hand Vehicle Dealers Act 1995

under which second-hand car dealers are licensed and their dealings with consumers controlled.

Security and Investigation Agents Act 1995

under which debt collectors, security guards, inquiry agents and others are licensed and some aspects of their businesses are regulated to protect consumers.

Trade Measurement Act 1993

which is part of a scheme for uniform trade measurement standards.

Trade Measurement (Administration) Act 1993

which adopted Federal trade measurement legislation.

Trade Standards Act 1979

under which hazardous products can be banned and detailed safety and information standards can be established.

Travel Agents Act 1986

under which travel agents are licensed and some aspects of their businesses are regulated to protect consumers.

The following legislation also provides important consumer rights:

Manufacturers Warranties Act 1974

which ensures that manufacturers stand behind the products they put on the market.

Misrepresentation Act 1972

which expands the remedies for buyers who are misled in their purchasing decisions.

The Commissioner for Prices administers the:

Prices Act 1948

which creates the position of the Commissioner for Prices who has discretion to regulate prices on certain goods.

The Corporate Affairs Commission administers the following Acts:

Associations Incorporation Act 1985

which provides for the incorporation, management and winding up of 'not-for-profit' associations.

Business Names Act 1996

which provides for the registration and the use of business or trading names so as to identify the proprietors of a business.

Co-operatives Act 1997

provides for the formation, registration and management of co-operatives including membership qualifications, power over funds and property, voting rights and the winding up of co-operatives.

Starr-Bowkett Societies Act 1975

provides for the administration and control of Starr-Bowkett societies which applied funds in making loans under the rules of the society.

The Registrar Births, Deaths and Marriages is responsible for administration of the:

Births, Deaths and Marriages Registration Act 1996

and also has statutory responsibilities under the:

Adoption Act 1988

Cremation Act 1891

Sexual Reassignment Act 1988

Witness Protection Act 1996

and the administration in South Australia of the Commonwealth's

Marriage Act 1961

Statutory Functions

The Commissioner for Consumer Affairs and Office of Consumer and Business Affairs staff:

- give advice to consumers and traders on their rights and obligations under the Fair Trading Act 1987 and other consumer laws
- conduct research into matters concerning the interests of consumers
- conduct consumer education programs, publish reports and inform consumers about matters of interest to them
- attempt to resolve by conciliation disputes between consumers and traders
- monitor business activities to which the Fair Trading Act 1987 and other consumer laws apply and investigate practices that may adversely affect the interests of consumers
- encourage trade, industry and professional associations to develop, promote and enforce fair trading codes of practice to safeguard the interests of consumers
- produce fair trading guidelines for traders
- enforce consumer laws by the prosecution of offences and through other appropriate actions
- licence and register nominated traders and
- report to the Minister for Consumer Affairs on the functions of the Commissioner.

Human Resources and Occupational Health and Safety

The Office of Consumer and Business Affairs (OCBA) is a Division of the Attorney-General's Department. OCBA human resources and occupational health and safety matters are reported in the annual report of the Justice Portfolio incorporating the Department of Justice and the Attorney-General's Department.

Key Result Area One:

Achieving Customer Satisfaction Through Quality Service

Advice to consumers and traders on their rights and obligations under the Fair Trading Act 1987 and other consumer laws is a key function of the Commissioner for Consumer Affairs.

A significant part of this work is undertaken by the **Consumer Affairs Branch** (CAB) staff in Adelaide, regional offices Mount Gambier, Berri, Port Augusta and Whyalla and the Trade Measurement and Product Standards Laboratory at Thebarton. OCBA also maintains an office in Port Lincoln, which is open once a month.

CAB provides an **advisory service to consumers and business** on fair trading issues, trade measurement and product safety. This is carried out mainly by telephone with telephone and counter traffic monitored daily in accordance with service standards. During the reporting period CAB responded to 122,279 telephone and 13,717 counter enquiries. In the metropolitan region, the ratio of telephone calls answered within 60 seconds was 91 per cent and the average answering speed for calls was 21 seconds.

CAB dealt with a significant number of **Goods and Services Tax** related building issues involving construction delays by some builders following the introduction of the GST. One hundred and seventy consumer complaints against 19 builders were received during the reporting period and 60 per cent were resolved satisfactorily. Some of the remainder may be subject to further action using alternative dispute resolution methods outside OCBA.

Staff in **Mount Gambier** were located in new premises in August 2000. A computer network linkage in the office with Internet and Email facilities ensures South East customers are provided with up to date advice and information.

CAB worked with the **Consumer's Association of South Australia** in conducting two public phone-ins. These initiatives gave consumers and businesses the opportunity to comment on Corporate Governance and the value and effectiveness of Call Centres. Further joint projects of this nature are planned.

A link through the **OCBA Website** enabled consumers to obtain advice regarding the purchase of goods or services and approximately half of the 562 CAB Website Email enquiries related to this type of dispute between a consumer and trader. Other enquiries concerned marketing methods, pyramid schemes, gambling software and overseas scams.

Changes in day-to-day operations to improve the quality of customer service resulted in an increased efficiency of the telephone advisory service, a reduction in the number of files on hand and an increase in the number of files closed within 30 business days.

Through the introduction of new hardware and software, the **Tenancies Branch** continued to improve the management systems for residential and retail tenancy bonds and the unclaimed monies ledger was reconciled to enable accurate disbursement of bond monies.

Telephone calls to the Branch for advice and bond information were answered on average within 26 seconds.

Preliminary work began on the development of a case management system to improve administrative issues in the Branch. This will involve the implementation of strategies to address recommendations of reports into the Branch and the Residential Tenancies Tribunal.

A mystery shopper pilot program to address the level of customer satisfaction in the **Business and Occupational Services Branch** (BOS) involved an anonymous client speaking with staff over the telephone or counter and asking questions about applying for an occupational licence. Staff were assessed on their knowledge and service delivery and survey results were used to determine areas for further staff training.

As part of the annual OCBA **customer satisfaction survey** across all branches, four hundred client names from the BOS branch were collected over a two-week period. The customers were then phoned and asked a series of questions relating to their experience with the branch. Survey results are used to assist in training and improving quality of service.

As part of streamlining processes to reduce the regulatory burden on business, the BOS branch commenced an investigation to use **e-commerce for occupational licensing**. Options to be examined are the renewal of a licence/registration online and the searching of the public register database. This will enable consumers to check the status of licences and search through the Internet for licensed tradespeople in their area.

The **Policy and Legal Unit** assisted the Commissioner in his capacity as Commissioner for Consumer Affairs, Commissioner for Corporate Affairs and Commissioner for Prices to perform his statutory obligations.

Legal officers provided **a range of legal services** to all OCBA branches, to the Commissioner on legislation and common law relating to fair trading and corporate affairs matters and represented the Commissioner and the Registrar of Births, Deaths and Marriages in matters before the Courts.

Policy staff monitored issues relating to consumer affairs and corporate affairs and legislation administered by the Registrar of Births Deaths and Marriages. Policy staff attended to **changes to legislation** and made recommendations and submissions to management for Government policy and legislative changes. Competition Policy officers were responsible for legislative reviews under the Competition Principles Agreement.

The unit coordinated the preparation of **briefing papers to the Minister for Consumer Affairs** for each Parliamentary Session and for the Parliamentary Estimates Committee as well as meetings of the Standing Committee of Officials of Consumer Affairs and the Ministerial Council on Consumer Affairs.

In accordance with instructions issued by the Department of Premier and Cabinet, each government agency is required to publish a **Customer Service Charter**. The first OCBA Charter was released in 1997 and an up-dated edition was published in August 2000.

The new charter sets out the guarantees of service that customers can expect when they do business with the agency and contains information about opening hours, communications, correspondence, information brochures, pamphlets and payment of accounts. Service standards for all major customer service functions are documented together with details about how customers can provide positive or negative feedback about performance. The charter also contains a reference guide to services and key contacts within the agency.

The on-going **customer satisfaction measurement** program conducted by Harrison Market Research provided statistical information on customer perceptions of the services provided by OCBA during the financial year. The surveys indicated that 94 per cent of customers rated the service they received as good, very good or excellent. This is the same level achieved as the previous twelve months, but represents a five per cent increase in satisfaction from 1998/1999.

During the reporting period conducted by the Australian Customer Service Association, OCBA entered the **Customer Service Awards** for the first time. OCBA was commended for achieving the status of a state finalist. A report was prepared by the judging panel indicating areas of strength and where service could be improved and the report has formed the basis for OCBA's ongoing work aimed at continually improving its customer service.

In-house printing of a new nursery range of Commemorative Birth Certificates was introduced by the Births Deaths and Marriages Registration Office (BDM) in July 2000, and from 1 January 2001 all Commemorative Birth Certificates, including two designs for the Centenary of Federation, have been printed in-house. As well as the increased range of choices, this change resulted in all certificates being available within a week rather than taking several weeks under previous arrangements.

Gift vouchers for Commemorative Birth Certificates were introduced, enabling persons who are not themselves eligible to obtain the certificates (such as godparents) to give parents a pre-paid voucher for the design of their choice.

The Supersearch feature of the BDM computerised register was extended to include checks for searches and applications, enabling a search for an individual's records to check all registration categories and more rapidly check the details of outstanding and recent enquiries regarding that person. This assists in providing faster response to queries and follow-up of applications.

Progress of the Backcapture Project (computerising about 600,000 birth registrations from 1944 to 1978 and approximately 400,000 birth index records from 1923 to 1943) resulted in the availability of priority certificate orders within half an hour instead of half a day.

Key Result Area Two:

Fostering a Fair and Balanced Marketplace

Tenancies Branch conducted a number of **information sessions for agents, landlords and tenants** and maintained regular liaison with the Real Estate Institute of SA, the Landlords' Association and Shelter SA.

Under most of the licensing legislation administered by **Business and Occupational Services Branch**, licence applicants must possess appropriate qualifications and experience. Throughout Australia, industry is developing **nationally consistent competency-based training programs**, designed to replace current modular based training and qualifications. OCBA is adopting criteria from national training packages for regulated occupations as they become available. BOS branch is working with industry at both state and national levels to ensure that the national training packages incorporate competencies relevant to current and future licensing requirements in South Australia.

As part of the Government's **information network**, BOS branch liaised with industry through the Building Work Advisory Panel, Electrical Advisory Panel and the Plumbing and Gas Fitting Advisory Panel, established under the Building Work Contractors Act 1995 and the Plumbers, Gas Fitters and Electricians Act 1995. Membership of the **advisory panels** include technical regulators, training bodies, key industry associations and union representatives.

In conjunction with the successful **Use a Licensed Tradesperson campaign**, BOS branch supplied a free I Am a Licensed Tradesperson bumper sticker in the licence renewals to all builders, plumbers, gas fitters and electricians in South Australia. The stickers are also available to licensees upon request. The stickers promote licensing throughout the building industry, raise consumer awareness about the importance of using a licensed tradesperson, encourage trades-people to carry their licence and encourage consumers to ask to see a licence.

The **Consumer Affairs Branch** provided representation for the Commissioner for Consumer Affairs on the following **national bodies**: the Fair Trading Officers Advisory Committee, the Consumer Products Advisory Committee and the Trade Measurement Advisory Committee all of which report to the Standing Committee of Officials on Consumer Affairs (SCOCA) and comprise representatives from consumer affairs agencies in all Australian States and Territories, the Commonwealth and New Zealand. The committees monitor and regulate fair trading issues, product safety and standards.

While CAB continued to investigate **new scams**, the prosecution of offenders has become increasingly difficult with the advent of the Internet. Most scams are overseas and, to a much lesser extent, interstate operations. CAB will continue to protect consumers from this type of behaviour by conducting on-going education programs. OCBA was represented on an Overseas Scams National Working Party that developed an education strategy focussed on minimising promoters' economic return from Australian and New Zealand consumers.

The OCBA on-going **monitoring and education program** resulted in 763 retail premises being monitored during the reporting period. The Adelaide Market and Adelaide City Centre were visited along with major suburban shopping centres including: Tea Tree Plaza, West Lakes, Golden Grove Village, Ingle Farm, Elizabeth City Centre and Hollywood Plaza.

The monitoring visits were concerned with general fair trading practices such as trader refund notices, refund policies, warranties, lay-bys, two-price advertising and scams targeting small businesses.

In August, the Lower South-East was visited extending from Tailem Bend to Bordertown and across to Robe and Kingston. In early 2001 the program concentrated on the Adelaide Hills area and included visits to Mt Barker, Hahndorf, Blackwood, Stirling, Aldgate and Woodside. Later in the year staff visited the far west of the State from Whyalla to Ceduna and included the towns of Cleve, Cummins, Iron Knob, Kimba, Wudinna, Port Kenny and Wirrala.

The program also included testing of 1536 trade instruments in approximately 600 premises across country regions by **Trade Measurement Inspectors**. The instruments included spirit measures, petrol pumps and weighbridges with the overall compliance rate an acceptable 90.11 per cent.

The Trade Measurement section was asked to oversee the installation and verify the accuracy of a weighbridge at the "Le Mans" and "Adelaide 500" motor races. The importance of this check became evident on race day when the inspector responsible for carrying out the checks received two calls, one from a marshall and the other from a driver, questioning the set-up and accuracy of the instrument. A vehicle was disqualified from racing due to its weight.

During the year, a media statement was issued warning people about the operations of a company called **Info4pc.com Pty Ltd**. The company, based in Western Australia, advertised in a South Australian newspaper that new computers could be bought for \$499. The company failed to fulfill orders and money sent by South Australians and consumers from other States, was transferred overseas.

During the pre and post Christmas period, the OCBA **Product Safety section** received many enquiries and complaints regarding fold-up scooters. South Australian injury statistics and relevant data were provided by section staff to a committee working with Standards Australia in the development of a voluntary standard.

CAB maintained frequent contact with various **industry bodies**. Discussion with industry representatives covered a wide range of issues including the development and use of dispute resolution processes. Regular contact and liaison on specific issues was also maintained with interstate counterparts and other South Australian and national law enforcement agencies.

Legal advice to OCBA executive and staff remained the central task of legal officers in the **Policy and Legal Unit**. The advice covered, among other matters, the eligibility of applicants for occupational licences and registrations under the Acts administered by the Commissioner; the eligibility of applications for registration of business names and the incorporation of associations; the legality of sales schemes as assessed against various provisions of the Fair Trading Act 1987; general contractual requirements and matters arising out of the introduction of the GST and the Retail and Commercial Leases Act 1995.

Legal officers continued to represent the Commissioner and the Registrar of Births Deaths and Marriages in the Magistrates Court for change of name applications lodged with OCBA.

During the reporting period, both the Minister for Consumer Affairs and the Commissioner received applications for Ministerial approval of **third party trading schemes** centred in other States but intending to operate in South Australia. Legal officers assessed the eligibility requirements of the applications against the criteria outlined in the Fair Trading Act 1987.

Legal officers also provided assistance to the Commissioner in the ongoing assessment of claims on the **Agents Indemnity Fund** resulting from the fiduciary default of two registered land agent and conveyancing firms and represented the Commissioner over claims lodged with the Magistrates Court against the Second-hand Vehicle Dealers Compensation Fund.

The **policy development** section of the unit developed specific issues papers on matters such as the appropriate conduct of individuals licensed through the Security and Investigation Agents Act 1995.

Legal officers undertook **prosecutions and disciplinary actions** against persons in breach of legislation administered by the agency. Major matters included:

- The case of **Commissioner for Consumer Affairs v David John Griggs**, where the Commissioner was successful in proceedings against David John Griggs in relation to breaches of the Building Work Contractors Act 1995. The District Court Administrative and Disciplinary Appeals Division held that disciplinary action should be taken against Mr Griggs as it was found that he performed certain types of building work contrary to the conditions of his building licence. The Court held that a building contractor who performs a single building job may be considered to be carrying on a 'business of performing building work' for the purposes of the Building Work Contractors Act 1995. Furthermore, that the supply of building materials, relating to building work not covered by a building licence, may be in breach of the Act. Mr Griggs' licence was cancelled and he was prohibited from being a director of a building work company.
- In the matter of **Commissioner for Consumer Affairs v Robert Noel Speck**, the Commissioner was successful in prosecuting Mr Speck, who was fined \$10,485.50 relating to offences under the Building Work Contractors Act 1995. Mr Speck, who was not licenced, provided an invalid licence number and had either not completed work or performed poor quality work. Mr Speck was a repeat offender and the magistrate chose to deal with the penalty pursuant to section 18A of the Criminal Law Consolidation Act 1935.

The Commissioner administers the national **Consumer Credit Code** in South Australia and a Policy and Legal Unit officer represented him on the national Uniform Consumer Credit Code Management Committee. This body is responsible for monitoring and reviewing the market-place operation of the Code, along with assessing exemption applications and overseeing education matters and publications relating to the Code.

The **media** plays an important role in meeting the Commissioner's statutory obligations to inform and educate both consumers and traders on fair trading legislation.

As part of this program, press releases and articles were provided regularly to mainstream and specialised media on a wide variety of topics. Interviews were given regularly by the Commissioner and his staff about fair trading practices, dangerous products and traders with questionable business ethics. Editorial material was contributed regularly to twelve **industry publications**.

Close liaison has been established with all sections of the media over many years and OCBA is regarded as a reliable and accurate source of information on matters relating to consumer matters and related legislation.

The Senior Consultant, Media and Industry had **regular broadcast commitments** on eight South Australian radio stations including two talkback programs, one of which, the ABC, has a State wide audience and the other, on 5AA, covers the Adelaide metropolitan area.

Education and Information Services Branch (EIS) staff responded to numerous requests for a speaker to address community groups, service organisations, schools, colleges and trader groups on fair trading legislation.

As part of its commitment to provide consumer education and information to the regional community, OCBA staff attended **field days** in partnership with a number of State and Federal government agencies. Attendances were at Cleve (August), Riverland (September) and Lucindale (March).

OCBA continued to participate in **Homebuyers Seminars**. The seminars are a co-operative effort between OCBA, the Energy Information Centre, Planning SA, Homestart Finance, Archicentre, the Law Society, the Real Estate Institute and CPA Australia. The 2000/2001 series comprised eight seminars held at various locations around Adelaide. An OCBA speaker provided information to consumers about their rights and responsibilities when purchasing a home. Attendances at the seminars ranged from 100 to up to 400.

'Youth as Consumers' was the nationally agreed theme for **National Consumer Day 2000** on 24 November. South Australia was the lead agency appointed to coordinate the project and EIS branch staff worked with representatives from fair trading/consumer affairs agencies in New South Wales, Queensland, Victoria, Western Australia and the Northern Territory to develop strategies targeting people aged between 16 and 20 years.

The objective of the project was to inform young Australians that fair trading/consumer affairs agencies are a valuable source of information relating to matters such as seeking credit and managing money, buying a car and renting a house or flat. A poster with the slogan '**Before You Splash Your Cash**' included contacts from each State and Territory, and this, along with a fold-out pocket information guide containing advice and general tips about being a wise consumer, also with referral information, was distributed throughout the State to Centrelink offices, local Councils, youth centres, high schools (public, private and independent), TAFE colleges and Mission SA.

A 'Before You Splash Your Cash' web site (www.b4usplashcash.ocba.sa.gov.au) was launched and linked to a large number of other Government and non-Government web sites.

In March, OCBA assisted the Australian Banking Industry Ombudsman with the content, design and layout of a '**Youth and Banking Issues**' publication that was distributed nationally.

Consumer education training seminars for **business migrants and new arrivals** were conducted by EIS branch staff. The information was provided through interpreters in Vietnamese, Mandarin, German, Russian, Arabic and Polish.

A consumer information display was organised in Gawler as part of a **Health Expo 2000** event. Many government and voluntary agencies attended the Expo that was sponsored by the Town of Gawler Corporation and pharmaceutical company FH Faulding and Co Ltd.

A consumer education workshop was initiated in conjunction with the **Special Education and Disability Studies School** at Flinders University for undergraduate students who planned to work with disabled consumers. A consumer education training course was conducted as a joint project with Centacare-Catholic Family Services, the Multicultural Writers Association and the Office of the State Ombudsman. The course attracted **fifty community leaders** who work with disabled consumers, homeless people, the elderly, young/adult unemployed, ethnic communities, aboriginals and low-income families in Murray Bridge and in the western, northern and southern regions of metropolitan Adelaide.

EIS staff and members of the Para District Community Legal Service held a consumer education workshop for **northern suburbs community leaders**, financial counselors and community information officers. Issues examined included the high incidence of problems experienced by younger consumers facing unexpectedly high mobile phone charges, the purchase of used cars and credit repayments.

Taoundi College of South Australia is an Aboriginal institution catering for the **education, training and employment needs of the Aboriginal population** between the ages of 15 to 60. Discussions between OCBA staff, college student counsellors and vocational managers have highlighted a need for targeted consumer education. It is planned to conduct a program in the forthcoming financial year.

An education program was conducted by EIS staff for financial counsellors and social workers with the **Low Income Support Program** at Noarlunga. Consumer education initiatives have targeted adult unemployed, young consumers, low-income families and disabled persons in the region. EIS staff organised a consumer education workshop for interpreters and Auslan lecturers at the **Royal South Australian Deaf Society**.

An **education program for vehicle dealers** was planned and implemented following requests from the Motor Trade Association and a number of dealers who were seeking advice on the interpretation of various sections of the Second-hand Vehicle Dealers Act 1995.

Following these requests, a program was initiated to ensure that dealers were made aware of their statutory obligations and requirements under the Act and Regulations. The primary objective of the program was to achieve a fairer market place through compliance with the legislation.

During the reporting period, EIS staff delivered educational presentations at the premises of 391 country and metropolitan new and used vehicle dealers. Face-to-face discussions with managerial and sales staff resulted in an increase in overall fair trading knowledge and legislative compliance.

The program also included the inspection of licence and business name registration certificates, dealer's yard signage and information on vehicles for sale schedules. Dealers were given copies of the Second-hand Vehicle Dealers Act 1995 and Regulations and complimentary laminated Not for Sale signs which are now in widespread use by vehicle dealers throughout the State.

As a direct result of the education program, 59 warning letters were issued to vehicle dealers over alleged breaches of the Second-hand Vehicle Dealers Act 1995 and Regulations. The dealers who received warning letters will be revisited as part of phase two of the program.

The **Births, Deaths and Marriages Registration Office** participated in seminars and regular meetings of both funeral directors and civil marriage celebrants to support a high standard of service quality in both funeral services and marriage ceremonies, provided information to both groups and individuals on legislative compliance and monitored the timeliness of lodgements by firms and celebrants to ensure registration is prompt and accurate.

Key Result Area Three:

Streamlining Process and Minimising the Regulatory Burden on Business

The **Tenancies Branch** continued to improve processes by making a significant change to the management of residential tenancy bonds. **Electronic funds transfer for payment of security bonds** to agents was introduced and the improved and quicker service was well accepted by the real estate industry. The disputed bond refund process was modified and will shorten the processing procedure by up to six days.

A system to digitally record Residential Tenancies Tribunal hearings, replacing the current system of a hearings clerk taking notes, was introduced to provide a faster and simpler retrieval service.

The majority of **Business and Occupational Services** licensees have had their photo image captured under the new, high quality and more secure **photo licence card** system. The photographs are taken free of charge at any of the State wide Transport SA Customer Services offices or at the BOS office. The new system saves applicants and licensees an estimated \$50,000 annually through not having to supply photographs with licence renewals. The digital images will be re-used for up to 10 years.

A **new renewal system** was developed to further reduce the regulatory burden for licensees when renewing their licence/registration. This system allows licensees, who have nothing to declare in answer to questions on simplified renewal forms, to renew their licences by simply paying their fees. Resources saved from the reduced paperwork within OCBA have been reallocated to a random and targeted audit program to detect instances of non-disclosure.

Interviews to assess building work supervisor registrations are now recorded digitally to give high quality recordings stored on computer disks that can be referred to by OCBA or the applicant if queries arise.

A new **trade measurement licensing system** for Instrument Certifiers was introduced to complement that used for licensing builders, plumbers, gasfitters and electricians. The major feature of the system is a secure, photograph identification card giving details of the instrument categories held by the bearer.

OCBA is reviewing 15 Acts of Parliament under the **Competition Principles Agreement** signed by all State and Territory Governments in 1995. Twelve Acts are being reviewed at the State level by review panels comprising Government and external representatives, while three of the Acts are being reviewed on a national basis. The Office of Consumer and Business Affairs is represented on all of the national review working parties. National competition policy legislative reviews must be completed, with reforms implemented, before the end of June 2002.

The **OCBA corporate web site** www.ocba.sa.gov.au has over 440 pages of information. There are 70 publications and 60 forms available for the general community and the business and education sectors. Each branch of OCBA has its own section on the site that describes the full range of services and products available.

The home page is designed as an advertising billboard and **promotes significant new OCBA campaigns and initiatives**. Matters highlighted during the reporting period included: five new nursery commemorative certificates, Year 2000 and Centenary of Federation commemorative birth certificates, a new on-line business name renewal system, a 'Use a Licensed Tradesperson Campaign', promotion of the new occupational licence card, the 'Good Business Guide', current scams and the OCBA youth web site.

The site averages over **550 visits per day** with the **most frequently accessed** sections being birth certificate applications, registering a business name, scams, baby names for the previous twelve months registered by the Births Deaths and Marriages Registration office and tenancy forms. The 'Registration of a Business Name' and 'Change in Particulars' are the most frequently accessed forms and the 'Little Book of Scams' was the most popular on-line publication.

The site continued to be upgraded and expanded with links to other useful web sites. An extensive **Business Advice** section featuring fair trading information on topics such as lay-bys, refunds, warranties, false advertising and door-to-door sales was added to the site during the reporting period. Important customer information was added, including a range of contacts and links to other organisations providing services to business. The Good Business Guide also was made available online and business studies students requesting fair-trading advice were directed to this section of the Website.

Advice and information about incorporation and operating as an incorporated association was included in a new expanded **Associations** section. All forms and information sheets giving details of the role and responsibilities of the public officer, an outline of administrative affairs and the accounts and auditing requirements as well as the revised An Example Set of Rules for an Incorporated Association publication are now available online.

Throughout the year, new **scams, schemes and get-rich-quick schemes** were added to the Website that names over 150 scams and schemes known to OCBA. Advice also is given on how to spot scams and other illegal schemes.

As part of a national initiative, the Births, Deaths and Marriages Registration Office introduced new standard certificate paper stock with enhanced security features, reducing the likelihood of certificates being fraudulently reproduced.

The Branch also was involved in planning for the national electronic linking of State and Territory BDM registries to enable faster and more convenient production of certificates at any BDM registry in Australia, regardless of where the event was registered.

Related to this is the development by BDMOZ, the working group of Australasian Registrars, of a certificate validation service which will enable both government and business agencies such as Centrelink, financial institutions and registration and licensing authorities to check the validity of those documents they routinely require for identity and status checks.

The computerised registration system is subject to continuous improvement; among significant changes this year were the incorporation of identity and eligibility checks for persons seeking certificate application details.

Key Result Area Four:

Meeting Organisational Objectives Through Trained and Motivated People

The **Education and Information Services** branch has responsibility for the coordination of office-wide training and the development and identification of specific or specialist training needs. This work is undertaken in consultation with the Human Resource Services branch of the Attorney-General's Department.

Priority areas for training and development are used to develop programs through specific training modules. During the reporting period, a training calendar provided OCBA staff with many job-related development opportunities such as: Effective Presentation Techniques, Negotiation Skills, Basic Evidence and Investigation Techniques, Effective Business Writing, Improving Customer Service and Creative Decision Making and Problem Solving Skills. Most of these training modules were presented in-house by local training providers: OZ>Train Pty Ltd, Jill Gael & Associates, Business SA and the Australian Institute of Management.

OCBA staff also participated in **specialised training programs** such as Springboard (specifically designed for women in non-managerial roles), Voice Communications (a program aimed at improving verbal communication and presentation skills) and Conciliation Skills (a program designed to improve the skills of advisory officers in resolving complaints through a structured approach to conciliation).

The Public Sector Management Course (PSMC) is a recognised middle-level tertiary program offered and administered by the Office of the Commissioner for Public Employment. One employee, sponsored by the Attorney-General's Department, graduated from this program with a Graduate Certificate in Management from the University of Western Sydney and another employee is still undertaking the course under a similar sponsorship arrangement.

OCBA management also gave support and encouragement to a number of employees undertaking more formal programs and courses. These are available through **LeadershipSA**, an initiative of the Office of the Commissioner for Public Employment and designed to enhance the overall level of management and leadership skills in the public sector. The Justice Portfolio Learning Management Framework offers employees from within the Justice Portfolio a wide range of learning opportunities to further develop management and leadership skills.

Existing information and procedure manuals were further developed by the Tenancies branch to ensure that on-going staff training resulted in improved customer service and the branch policy to encourage the involvement of staff in the presentation of **talks to industry groups** was seen as an effective training mechanism to discuss issues with agents/landlords and tenants.

A Business and Occupational Services strategic planning team continued to review branch goals and objectives and an important staff training initiative was the regular rotation of licence section supervisors and staff to increase their jurisdictional knowledge. This resulted in improved customer service levels as did the practice of placing BOS staff in temporary placements in other OCBA branches and encouraging attendance at a wide variety of training courses.

The availability of the Internet and Attorney General Department's Intranet presented useful training

tools in that staff could be advised immediately of any updates or changes in office policies and procedures, legislation or whole of Government initiatives. Communication through the Internet also allows quick and up-to-date exchanges of information with interstate and overseas fair trading agencies.

Legal and Policy Unit officers provided training for OCBA staff over changes to legislation and policy matters and addressed community groups, schools and consumer bodies and counselled professionals on fair trading issues.

To broaden their public speaking skills, a number of Birth Deaths and Marriages Registration Office staff presented talks to industry groups. Staff attended a variety of training programs and, to further improve customer service, a project was completed that standardised all branch policies and procedures.

In March, OCBA launched its own intranet site. The development of the site was coordinated by a project team comprising nominated representatives from each Branch.

The facility will become the principal communication tool for ensuring that all staff have access to accurate and timely information on such issues as legislation, policies, procedures, vacancies and training opportunities. Each Branch has its own section on the intranet that show staff profiles, organisation charts, current projects and achievements.

On the home page there is a 'Latest News' section that provides staff with news about topical issues of general interest. The site also has information for new staff about the role and function of OCBA, the Attorney-General's Department and the Justice Portfolio as well as numerous links to other relevant internal and external organisations.

Appendix One

Analysis of Complaints Investigated by Product or Service 1 July 2000 to 30 June 2001

Category	00/01	99/00
	Sub-total Total	Sub-total Total
I General Consumer Products	638	793
Air conditioners	60	52
Literature, Stationary, Tapes & Records	26	28
Clothes	33	60
Electrical goods - other	38	51
Food products	12	27
Footwear	11	17
Furnishings	78	64
Furniture - lounge suites	63	76
Furniture - other	93	69
Haberdashery, clothing materials & accessories	8	14
Heaters & hot water systems	15	21
Household small appliances	7	9
Jewellery, clocks and watches	18	22
Pets & pet products	11	17
Photographic equipment & supplies	8	20
Health & cleaning products	20	24
Sports & camping equipment	15	12
Televisions & video cassette recorders	34	32
Whitegoods - other	15	23
Whitegoods - refrigerators	25	32
Whitegoods - washing machines	13	28
Other general goods	35	95
2 Motor vehicles and Transport Products	352	509
Purchase of new motor vehicles	18	26
Purchase of new & used motor cycles	4	12
Purchase of used motor vehicles	140	185
Consignment sales	2	2
Automotive repair & servicing	104	194
Spare parts & accessories	52	55
Other transport vehicles & equipment	32	35
3 Residential Building Construction	873	933
Air conditioning, heating installation	26	29
Building & decorating products	75	83
Carpentry, joinery	22	34
Pest control services	14	24
Concrete work, foundations, brickwork, paving	53	83
Electrical	8	13
Fences, walls, gates	35	32
Garages, carports, sheds, water tanks	42	41
Gardening & outdoor products	33	29
Home Construction, extensions, renovations	335	88
Painting, decorating, plastering	15	0

Category	00/01		99/00	
	Sub-total	Total	Sub-total	Total
Plumbing - water, gas, drainage	16		37	
Roofing, insulation, roof treatments	50		54	
Swimming pools, spas, hot tubs	20		26	
Tiling	24		39	
Other	105		101	
4 Insurance		18		16
5 Credit, finance, investment		46		70
Credit & finance	41		62	
Investment	5		8	
6 Communication & Information		241		250
Telephone	63		61	
Internet	12		19	
Postal, Television & other services	7		13	
Computers and software	159		157	
7 Marketing Methods		15		110
Mail Order	6		89	
Discount & gift voucher schemes	4		4	
Other	5		17	
8 Real estate, accommodation	41	41	45	45
9 General Services		250		301
Dry Cleaning	11		25	
Education & training	15		15	
Employment	1		6	
Furniture removals	36		22	
Health services	6		3	
Household services	29		25	
Transport services	10		20	
Personal services	62		76	
Professional & technical services	32		21	
Utilities & fuel supply	16		11	
Sport, culture & recreation	15		42	
Other services	17		35	
10 Travel, Hospitality and Tourism		88		131
Travel Agents	14		21	
Tours	22		11	
Hotels, Motels, Hostels	13		20	
Other	39		79	
11 Trade Standards		353		302
Product safety & hazardous products	108		143	
Trade standards & trade measurements	245		159	
Total for period		2,915		3,460

Appendix Two

Analysis of Complaints by Practice

1 July 2000 to 30 June 2001

Practice	00/01	99/00
1 Advertising	44	64
2 Representations	132	186
3 Product Labelling	1	5
4 Sale Methods	42	49
5 Price	164	205
6 Quality	1,181	1,500
7 Credit	24	35
8 Contracts	635	721
9 Warranties	314	339
10 Miscellaneous Conduct	25	54
11 Trade Measurements & Trade Standards	245	143
12 Product Safety & Hazardous Products	108	159
Total	2,915	3,460

Appendix Three

Business and Occupational Services

Licences and Registrations Issued 2000/2001

- BOS held more than 58,000 licences/registrations under seven separate pieces of legislation.
- Staff handled 1,165 telephone inquiries weekly from small businesses.
- The average answer time for calls was 14 seconds.
- Five thousand applications were handled, many being processed within one month.
- Thirty five thousand licence renewals were processed, most being processed within 10 calendar days.

Builders

There were 21,416 contractors licences and sole supervisors registrations issued under the Building Work Contractors Act 1995 as at 30 June 2001. Of these, 2,453 licences were held by bodies corporate (usually companies), 17,308 licences were held by natural persons (individuals or members of partnerships) and 1,655 people held building work supervisors registrations only. Compared with the previous year, there was a 1.29% decrease in licence/registration numbers held. Licences and registrations within each category were:

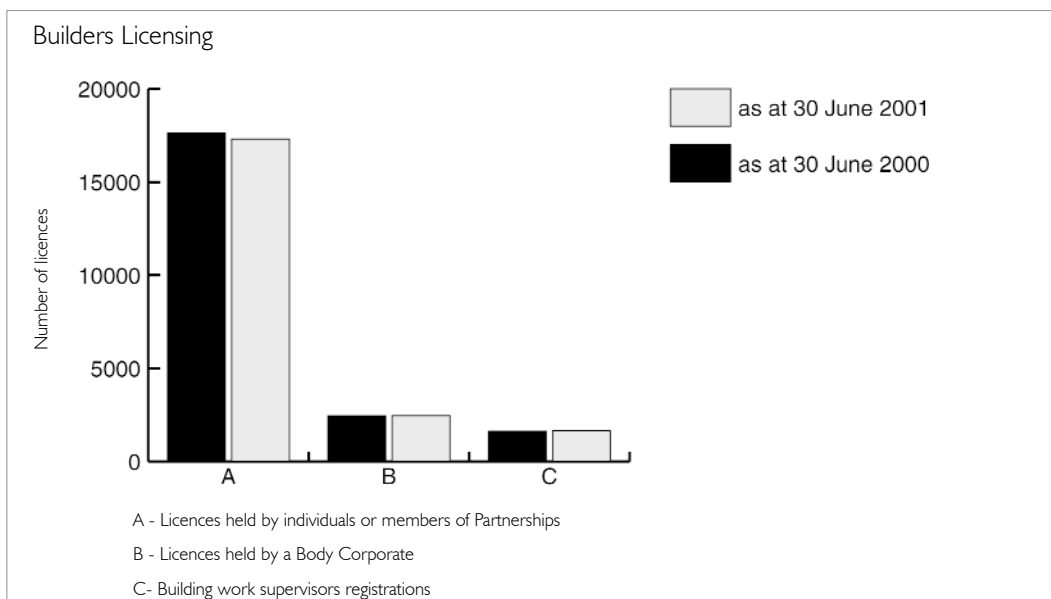
Licences

Any building work	1,853
Light commercial/industrial and/or residential building work	4,497
Specified building work	13,411

Registrations

Any building work	1,817
Light commercial/industrial and residential building work	3,449
Specified building work	11,204

New applications for contractors licences and supervisors registrations were 1,190 compared to 1,311 for the previous year. There were 371 applications from persons applying to change conditions on their licences and registrations compared to 285 for the previous year.



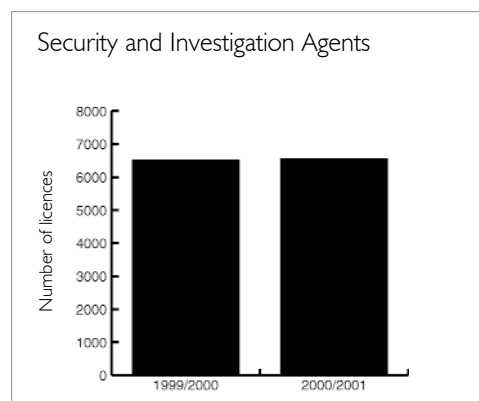
Second-hand Vehicle Dealers

Licences issued under the Second-hand Vehicle Dealers Act 1995 were 1,347 at 30 June 2001 compared to 1,400 for the previous year, a decrease of 3.8%. Of these, 412 second-hand vehicle dealers licences and 26 second-hand motorcycle dealers licences were held by bodies corporate. A further 861 second-hand vehicle dealers licences and 48 second-hand motorcycle dealers licences were held by natural persons. There were 242 applications received for new second-hand vehicle dealers licences compared with 235 for the previous year, an increase of 3%. There were five applications for second-hand motorcycle dealers licences, compared with eight for the previous year. There were 91 applications for registration of trading premises, compared with 29 for the previous year.



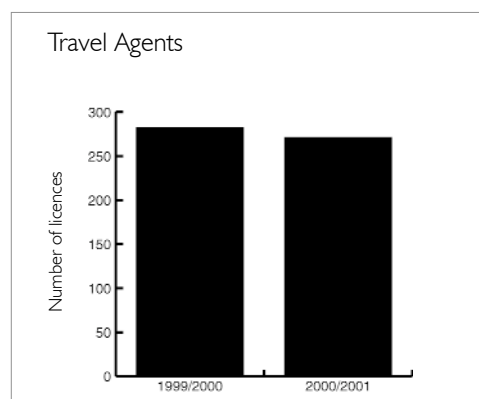
Security and Investigation Agents

As at 30 June 2001, there were 6,553 licences issued under the Security and Investigation Agents Act 1995. Bodies corporate held 244 licences and natural persons held 6,309. Total licences for the previous year were 6,518, an increase of 0.5%. 1,167 new licence applications were received, a decrease of 16.3% from the previous year's 1,395 applications. There were 140 applications received from people seeking to change the conditions on their licences, compared with 52 applications for the previous year.



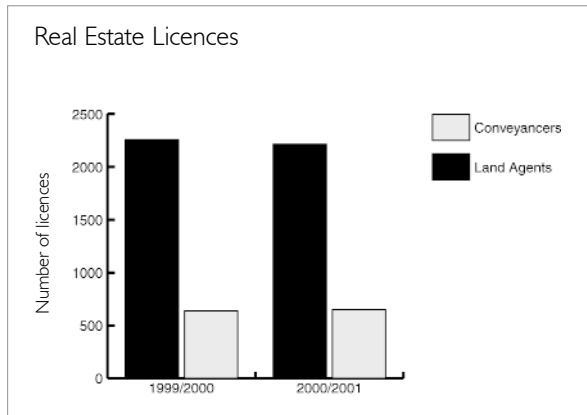
Travel Agents

Travel agents are licensed under the Travel Agents Act 1986. As at 30 June 2001, there were 160 bodies corporate and 111 natural persons licensed, a slight decrease from the previous year's total of 282 licences. 15 new licence applications were received, a 28.6% decrease from the previous year's 21 applications.



Real Estate

Land agents and conveyancers are registered under the Land Agents Act 1994 and the Conveyancers Act 1994 respectively. As at 30 June 2001, there were 2,213 land agents and 648 conveyancers registered. Bodies corporate held 599 land agents and 29 conveyancers registrations while natural persons held 1,614 land agents and 619 conveyancers registrations. This compares with 2,258 land agents and 639 conveyancers for the previous year.



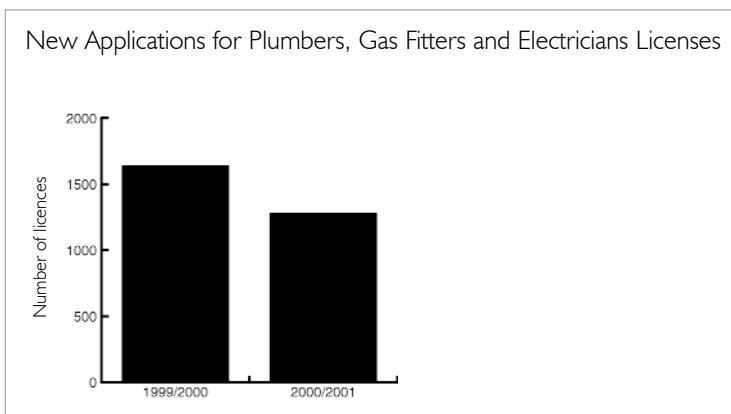
During the year, 119 applications for land agents registration and 31 applications for conveyancers registration were received, compared to the previous year when 146 applications for land agents registration and 35 applications for conveyancers registration were received. This represented an 18.5% and an 11.4% decrease respectively.

Plumbers, Gas Fitters and Electricians

Contractors licences and workers registrations for plumbers, gas fitters and electricians are issued under the Plumbers, Gas Fitters and Electricians Act 1995. There were a total of 26,026 licences and registrations as at 30 June 2001, compared with 29,955 for the previous year. As at 30 June 2001:

Plumbing	Contractors	1128
	Workers	3506
Gas Fitting	Contractors	675
	Workers	2371
Electrical	Contractors	4224
	Workers	14122

During the year there was a total of 1,276 applications for new licences and registrations, which was 22.1% lower than the 1,638 received during the previous year. A total of 270 applications for changes to conditions were received, a decrease of 58.8% compared to the 655 applications received during the previous year.



Photographic Images Captured

The following digital photographic images were captured in Customer Service Centres offices (Transport SA):

Adelaide	1066
BOS	8033
Berri	681
Christies Beach	2625
Elizabeth	2473
Kadina	411
Marion	2727
Mitcham	1362
Modbury	2556
Mount Gambier	1091
Murray Bridge	683
Port Adelaide	1715
Port Augusta	411
Port Lincoln	499
Port Pirie	434
Prospect	1262
Regency Park	697
Remote area (scanned from photo)	1125
Tranmere	2148
Whyalla	454
Total	32453

Appendix Four

Births Deaths and Marriages Registration Office

Registrations	2000/01	1999/00
Births	17563	18120
- still-births (1)	80	96
Deaths	11988	11639
Marriages	7779	8432
Changes of name	1410	1416
Adoptions - open	0	0
closed	49	60
Legitimations	412	451
Reassignments of sex	2	2

Documents issued	2000/01	1999/00
Certificates (2)	66017	71515
Commemorative birth certificate package	12611	10934
Cremation permits	6260	6049

Marriages at the Registry	2000/01	1999/01
Notices given	685	773
Marriages solemnised	535	608
Registry marriages as percentage of all SA marriage registrations	6.9	7.2

Notes:

(1) Still-births registered as births from 3 June 1996, but separated for statistical purposes.

(2) Does not include standard certificates issued as part of commemorative birth certificate packages.

Registered events in SA

Figures for 12 months to June 30 2001, compared with those for the previous twelve months:

- births registered down 3.1 per cent (the number of still-births decreased from 96 to 80)
- deaths registered up 3.0 per cent; number of cremation permits issued up 3.5 per cent;
- changes of name processed down 0.4 per cent;
- legitimations processed down 8.6 per cent;
- standard certificates sold (births, deaths and marriages) down 7.7 per cent;
- Commemorative Birth Certificate packages sold up 15.3 per cent;
- marriages registered throughout South Australia down 7.7 per cent;

- marriages solemnised at the Registry down 12.0 per cent;
- Notices of intention to marry lodged at the Registry down 11.4 per cent;
- Registry marriages as a percentage of all SA marriage registrations down from 7.2 per cent to 6.9 per cent.

Both registry marriages and all SA marriages showed a substantial decrease over the previous twelve months, although figures are similar to those for 1998/99 and 1997/98.

Performance against commitments made in Customer Service Charter

Registrations

	Commitment	Achievement
Births	5 working days	2-3 working days
Deaths	5 working days	2-3 working days
Marriages	5 working days	3-5 working days

Applications

	Commitment	Achievement
Standard Counter	3 working days	1-2 working days
Priority Mail	Same day	Same day
Standard Mail	3 working days	1-2 working days
Priority Counter	Same day	30 minutes

Appendix Five

New Publications 2000-2001:

- Good Business Guide. 2nd edition: informs SA business people of their rights and obligations and provides information on State and Commonwealth fair trading legislation.
- Associations and Incorporations Kit: contains forms and information sheets covering the role and responsibilities of a public officer, an outline of administrative, accounts and auditing requirements and rules for an Incorporated Association.
- On-line shopping and e-commerce: advises consumers on the risks and benefits of conducting business electronically.
- Heating and Cooling Systems for your Home: advice on the selection of a system and installer.
- Buying a Mobile Phone: provides advice and purchase tips.
- Do you require a building licence? information for persons wanting to work in the industry.
- Do you require a second-hand vehicle dealers licence? Information for auto-wreckers and crash repairers.
- Licenced tradesperson 'bumper' stickers: distributed to licenced tradespeople and security and investigation agents.
- Birth registration statement, nursery certificates, gift vouchers and application for birth certificate form.
- Children's tattoo: free promotional short life transfer (tattoo) for distribution at Field Days, schools etc.
- Dealing with Suspected Breaches: information for members of associations about lodging complaints for suspected breaches under the Associations Incorporations Act 1985.

Promotional Material and Publications

Customer Service Charter
Freedom of Information

Business

Customer Service Checklists

Compliance

Crowd Controllers

Consumer

Buying a Computer
Building a Home
Buying a Home
Buying a Used Vehicle
Computer Warranties
Computer Complaints
E-Commerce
Getting on the Internet
Going Guarantor
Introduction Agencies

Lay by Sales
Pre-paid Funerals
Pyramid Selling
Little Black Book of Scams

Occupational Licensing

Security and Investigation Agents -
Application Guidelines
Security and Investigation Agents -
Approved Course Schedule
Do you require a second-hand vehicle
dealers licence?
Travel Agents - Helpful Info

Product Safety

Keeping Baby Safe
Safe Toys for Kids
Banned and Dangerous Goods

Tenancies

Tenancies - Information Brochure
Inspection Sheet
Fixed Term Agreement
Periodic Agreement
Request for Assistance
Request for Tenancies Forms
Notice to Tenant - Rent Increase
Notice to Tenant - Inspection (section 72)
Disposal of abandoned goods (section 97)
Information on Section 90 applications
Fact Sheet 1 - Applications to RT Tribunal
(Form 7)
Fact Sheet 2 - Water charging
Fact Sheet 3 - Rent Receipts and Rent
Records
Fact Sheet 4 - Advertising Fees and Reletting
Fees on abandonment
Fact Sheet 5 - Repairs and Maintenance of
Rented Premises
Fact Sheet 6 - Co-tenancies
Fact Sheet 7 - Goods and Services Tax
Retail and Commercial - Mediation
information
for parties
Retail and Commercial - Mediation Rules
Guide to Residential Tenancies Tribunal
Hearings
Residential Tenancies Tribunal Decisions:
Rights to Appeal and Review

Trade Measurement

Weights and Measures
Alcoholic Beverage and Spirit Measures
Instrument Servicing Organisations
Packaging and Labelling
Fruit and Vegetables
Wine Packaging
Meat Packaging
Service Stations
Weighbridges
Public Weighbridges

Appendix Six

Corporate Affairs Commission

The Corporate Affairs Commission is a body corporate established and constituted under the Companies (Administration) Act 1982.

This report relates to the administration by the Commission of the Associations Incorporation Act 1985, the Business Names Act 1996, the Co-operatives Act 1997 and the Starr-Bowkett Societies Act 1975. It also serves to discharge the Commission's reporting obligations under Section 8a of the Companies (Administration) Act 1982 and section 49(7) of the Evidence Act 1929.

The Commission also maintains a public register or performs other functions in relation to the Partnership Act 1891 in respect of limited partnerships, the Da Costa Samaritan Fund (Incorporation of Trustees) Act 1953, the Maralinga Tjarutja Land Rights Act 1984, the Pitjantjatjara Land Rights Act 1981 and the Trustee Companies Act 1988.

The functions of the Corporate Affairs Commission include:

- incorporation, amalgamation and deregistration of associations and co-operatives;
- registration of business names for identification of the proprietors of the names;
- exercise of various discretions under the legislation such as exemptions and approvals;
- conduct of investigations to determine compliance with the legislation;
- maintenance of public files in relation to associations, co-operatives, registered business names, trustee companies and limited partnerships; and
- advice to the Attorney-General in relation to formation and changes of trustee companies.

Associations Incorporation Act 1985

At 30 June 2001, there were 16,573 incorporated associations on the register (16,197 at 30 June 2000). The number incorporated during the year was 460 (342 during the 1999/2000 financial year). The total number de-registered and wound up was 84 (73 during the 1999/2000 financial year).

There were 1,860 other documents lodged including 689 periodic returns by prescribed associations (for 1999/2000, 1,378 and 488 respectively) and 995 searches made of the public register (807 during the previous financial year).

The following discretionary powers to exempt associations from strict compliance with particular statutory requirements were exercised by the Commission during the year (the majority on multiple occasions): Section 30 - approval to take part in management; S 35 - approval of auditor; S 38 - exemption from accounts and audit requirements; S 39 - extension of time in which to hold annual general meeting; S 42 - notice for transfer of undertaking of an association to a company; S 43A - approval of application for deregistration; S 49A - extension of time to hold AGM; and S 53 - approval of invitation in relation to deposit taking.

Numerous complaints and inquiries were received by Commission staff, principally from members of associations. The majority of complaints related to internal disputes between members and the association or alleged breaches of the rules of an association. The Commission does not have a role in such matters and the complainants were advised of the remedies available under the Act. The Commission has investigative powers for alleged breaches of the legislation.

Business Names Act 1996

The registration of new business names and renewals, and the maintenance of the register of business names is a function of the Commission with a high level of activity. Each year more than 39,000 documents are lodged and registered under the Business Names Act 1996 and as at 30 June 2001 there were 97,031 registered business names.

Business names transactions

	2000/2001	1999/2000	1998/1999
New registrations	14,461	17,034	13,690
Renewals	16,360	18,924	16,621
Changes	6,826	8,691	7,657
Cessations	1,441	3,006	3,124
Transactions for year	39,088	47,655	41,092
Names on Register	97,031	96,689	94,449

Providing a proposed new business name is available for registration and the application has been completed in full and accompanied with the correct fees, a new business name can be registered and a certificate issued at the registry front counter, usually within 15 minutes. However, the majority of applications are made by mail and are generally registered within five working days of receipt. Longer processing times result from applicants sending in incomplete registration details.

New registration processing times

	2000/2001	1999/2000	1998/1999
Less than one day	61.61%	61.05%	65.27%
Within 2-5 days	4.30%	5.60%	17.82%
Within 6-10 days	13.70%	9.60%	9.06%
More than 10 days	20.39%	23.70%	7.85%

Co-operatives Act 1997

Register of co-operatives

Number at 1/7/00 (including one foreign)	55
Incorporations	0
Foreign registrations	2
De-registrations	5
Number at 30/6/01	52

Discretionary powers to approve certain activities of co-operatives or exempt a co-operative from strict compliance with particular statutory requirements, were exercised by the Commission during the year (the majority on multiple occasions): Section 107 - Approval of proposed alteration of rules; S 110 - Registration of alteration of rules; S 195 - Approval of disclosure statement in relation to transfer of incorporation; S 199 - Extension of time to hold annual general meeting; S 234 - Exemption from accounts and audit requirements; S 312 - Exemption from holding special postal ballot for voluntary winding up; S 368 - Registration of foreign co-operative; S 421 - Extension of time to alter rules to comply with the Act; S 451 - Exemption from manner of giving notice to members; Reg 19 - Registration of disclosure statement in relation to deposits; and S 329 (CL) - Consent to resignation of auditor.

Partnerships Act 1891 - Part 3 - Limited Partnerships

Part 3 of the Partnership Act 1891 provides for the registration of limited partnerships. One limited partnership is registered.

Starr-Bowkett Societies Act, 1975

The last society was de-registered during the financial year and the Act is expected to be repealed next financial year.

Trustee Companies Act 1988

Companies granted the privilege of trustee company status may be appointed as executor or trustee of an estate in South Australia. Nine trustee companies are included in Schedule 1 to the Trustee Companies Act 1988 and each is required to lodge six monthly financial statements with the Commission. All required statements were received and are available for public inspection.

Evidence Act 1929

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

Companies and Co-operatives Liquidation Accounts

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

Companies Liquidation Account

	2000/01 \$
Balance at 1 July 2000	18,548.40
Add Amounts received during the year pursuant to section 427(1) of the Companies Code	Nil
Less Amounts paid to claimants in accordance with section 427(7)	Nil
Payments to Consolidated Account in accordance with section 427(6)	Nil
Balance at 30 June 2001	18,548.40

Co-operatives Liquidation Account

	2000/01 \$
Balance at 1 July 2000	21,260.34
Add Amounts received during the year pursuant to section 311 of the Co-operatives Act 1997	44,260.01
Less Amounts paid to claimants in accordance with section 311	127.50
Payments to Consolidation Account in accordance with section 311	Nil
Balance at 30 June 2001	65,392.85

Public Registers

The Commission maintains registers of information relating to registered business names, incorporated associations, co-operatives, Starr-Bowkett societies and trustee companies.

The registers are available for inspection by the public on payment of the prescribed fee (nil for trustee companies) between the hours of 8.30am to 5.00pm Monday to Friday at the Office of Consumer and Business Affairs, Corporate Affairs and Compliance Branch, Ground Floor, Chesser House, 91-97 Grenfell Street, Adelaide.

Pamphlets and Circulars

Free pamphlets in printed format on the procedures for registration of business names and the operation of the Associations Incorporation Act 1985 and the Co-operatives Act 1997 are available from the Corporate Affairs Commission or from the OCBA Internet website: www.ocba.sa.gov.au.

Appendix Seven

Warnings, Assurances, Investigations and Court Actions

Corporate Affairs and Compliance branch issued 179 warnings to traders for alleged breaches under the Acts administered by OCBA. Of these warnings:

- 37 led to surrendered licences;
- 22 were pre-emptive warnings leading to disciplinary action where the licence was subsequently cancelled;
- 60 licenses were surrendered in light of the warning letter;
- 1 license was suspended after a disciplinary action;
- 48 unlicensed traders are now licenced; and
- 11 new business names were registered.

Thirty eight assurances under the Fair Trading Act 1987 relating to breaches under relevant Acts and their associated Regulations:

■ Building Work Contractors	9
■ Conveyancers	1
■ Fair Trading	2
■ Land Agents	2
■ Plumbers Gas Fitters Electricians (Electricians)	8
■ Plumbers Gas Fitters Electricians (Gas Fitters)	2
■ Plumbers Gas Fitters Electricians (Plumbers)	4
■ Second-hand Vehicle Dealers	3
■ Security and Investigation Agents	7
	38

Undertook 723 investigations in relation to alleged breaches of the following Acts and or their associated regulations:

■ Incorporation of Association	57
■ Building Work Contractors	115
■ Business Names	40
■ Consumer Credit Code	2
■ Conveyancers	124
■ Co-operatives	5
■ Fair Trading	18
■ Land Agents	166
■ Plumbers Gas Fitters Electricians (Electricians)	17
■ Plumbers Gas Fitters Electricians (Gas Fitters)	7
■ Plumbers Gas Fitters Electricians (Plumbers)	7
■ Second-hand Vehicle Dealers	75
■ Security and Investigation Agents	87
■ Travel Agents	2
	723

The Commissioner for Consumer Affairs can accept an assurance (a formal guarantee, in writing) that a trader will refrain from engaging in specified unlawful conduct. Where a trader fails to comply with an assurance given, they are guilty of an offence under section 81 of the Fair Trading Act and are liable for prosecution.

The following matters have not been the subject of a court finding. The allegations that have given rise to the assurance have not been proven.

No.	Trader	Date	Assurance
528	Campbell, Noel Patrick	17/7/00	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) Not to undertake unlicensed plumbing work 13(a) Not to act as an unregistered plumbing worker
529	Sweet, Phillip	26/7/00	Building Work Contractors Act 1995 6(1)(a) Not to undertake unlicensed building work
530	Sumner, James Denis	24/7/00	Building Work Contractors Act 1995 48 Not to make false or misleading statements in annual returns
531	not issued		
532	Zilm, Timothy Paul	29/8/00	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(b) Not to undertake unlicensed electrical work
533	Sharp, Michael Robin	4/9/00	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) Not to undertake unlicensed electrical work 13(a) Not to act as an unregistered electrical worker
534	Bayford, Susanne Chimene	6/9/00	Land Agents Act 1994 11(2) Not to act as sales representative when not entitled to do so
535	Lindco Pty Ltd Lindco Real Estate	6/9/00	Land Agents Act 1994 11(1) Not to employ sales representatives when they are not entitled to act as a sales representative
536	Triandafilidis, Theodosios	18/9/00	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) & (b) Not to undertake unlicensed plumbing work. Not to hold himself out as a licensed plumber 13(a) & (b) Not to act as an unregistered plumbing worker. Not to hold himself out as a registered plumbing worker
537	Godenzi, Alberto	27/9/00	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) & (b) Not to undertake unlicensed plumbing work. Not to hold himself out as a licensed contractor

538	Built Vision Pty Ltd	27/9/00	Building Work Contractors Act 1995 6(1)(a) Not to undertake unlicensed building work 34(a) Not to fail to take out indemnity insurance 34(b) Not to fail to provide the owner with a certificate of insurance
539	Freer, Daniel Lloyd	9/10/00	Plumbers, Gas Fitters and Electricians Act 1995 13(a) Not to act as an unregistered electrical worker
540	JH Corporate Security Services Pty Ltd	17/10/00	Security and Investigation Agents Act 1995 12A Not to employ an unlicensed agent
541	Ferrabette, Stephen	2/11/00	Building Work Contractors Act 1995 6(1)(a) Not to undertake unlicensed building work
542	Diamandopoulos, John	1/11/00	Security and Investigation Agents Act 1995 12A Not to employ an unlicensed agent
543	Strazdins, Mark Albert Maximum Security	2/11/00	Security and Investigation Agents Act 1995 12A Not to employ an unlicensed agent
544	Foreman, Stephanie Kalaya	13/11/00	Security and Investigation Agents Act 1995 6(1)(a) & (b) Not to act as an unlicensed agent. Not to hold himself out as a licensed agent
545	Azadegan, Afshin	3/11/00	Second-Hand Vehicle Dealers Act 1995 7(1) Not to act as an unlicensed dealer
546	Marshall, Adrian Wayne	14/11/00	Second-Hand Vehicle Dealers Act 1995 7(1) Not to act as an unlicensed dealer
547	Papasian, Arthur Robert	17/11/00	Security and Investigation Agents Act 1995 12A Not to employ an unlicensed agent
548	Peltz, Eric Melvin	21/11/00	Plumbers, Gas Fitters and Electricians Act 1995 13(a) Not to act as an unregistered electrical worker
549	Hanna, Kym Cambridge Electrical	23/4/01	Plumbers, Gas fitters and Electricians Act 1995 20(1)(c) Not to act improperly by falsely certifying compliance certificate
550	Frew, Gary	10/1/01	Security and Investigation Agents Act 1995 6(1)(a) & (b) Not to act as an unlicensed agent. Not to hold himself out as a licensed agent

551	Astime Pty Ltd	21/12/00	Fair Trading Act 1987 58(g) Not to make false or misleading representations concerning the price of goods
552	Paul Short Pty Ltd Hassett Short Pty Ltd	11/1/01	Conveyancers Act 1994 7(3)(f) The conveyancing companies will not act for both transferor and transferee unless certain conditions are satisfied
553	Kelly, Christopher John	29/1/01	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) & (b) Not to undertake unlicensed gas fitting work. Not to hold himself out as a licensed contractor 13(a) & (b) Not to act as an unregistered gas fitting worker. Not to hold himself out as a registered gas fitting worker 20(2)(b) Not to perform negligent gas fitting work
554	Lukeman, Brian Desmond	30/1/01	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) & (b) Not to undertake unlicensed gas fitting work. Not to hold himself out as a licensed contractor 13(a) & (b) Not to act as an unregistered gas fitting worker. Not to hold himself out as a registered gas fitting worker 20(2)(b) Not to perform negligent gas fitting work
555	Thompson, Peter Bruce	30/1/01	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) & (b) Not to undertake unlicensed gas fitting work. Not to hold himself out as a licensed contractor 13(a) & (b) Not to act as an unregistered gas fitting worker. Not to hold himself out as a registered gas fitting worker 20(2)(b) Not to perform negligent gas fitting work
556	Putzke, Peter Alexander	6/10/00	Plumbers, Gas Fitters and Electricians Act 1995 20 Not to perform negligent gas fitting work
557	Kean, Grahame	6/2/01	Building Work Contractors Act 1995 6(1)(a) Not to undertake unlicensed building work 6(1)(b) Not to hold out as a licensed builder
558	Precom Developments Pty Ltd	7/2/01	Building Work Contractors Act 1995 6(1)(a) Not to undertake unlicensed building work

559	Keri Pty Ltd	7/2/01	Building Work Contractors Act 1995 6(1)(a) Not to undertake unlicensed building work
560	Pickles Auctions Pty Ltd Pickles Auctions	20/2/01	Second-Hand Vehicle Dealers Regulations 1995 20(2) Not to advertise without providing description of vehicles
561	McClymont, Andrew Taylor	21/2/01	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) Not to undertake unlicensed plumbing work 13(a) Not to act as an unregistered plumbing worker
562	Ellis, Terance Leonard	5/3/01	Plumbers, Gas Fitters and Electricians Act 1995 6(1)(a) Not to undertake unlicensed plumbing work 13(a) Not to act as an unregistered plumbing worker
563	Chandnarayam, Lawrence Prakash	21/3/01	Fair Trading Act 1987 58(f) Not to make false or misleading representation of sponsorship, or approval that he does not have
564	Baff, Warren James	29/3/01	Building Work Contractors Act 1995 6(1)(b) Not to hold himself out as a licensed contractor
565	Rattley, Victor Robert	6/4/01	Plumbers, Gas Fitters and Electricians Act 1995 6(1) Not to undertake unlicensed plumbing work 13 Not to act as an unregistered plumbing worker
566	Walker, Lance Gilbert	3/5/01	Security and Investigation Agents Act 1995 9(1)(b) Not to engage in conduct that may rise to disciplinary action

Completed Court Actions

Name	Conduct	Outcome of Court Action
Plumbers, Gas Fitters & Electricians Act and Building Work Contractors Act		
Kossowski, Nick	Disciplinary action against a director of an insolvent company.	Building Work Contractors licence and Plumbing Work Contractors licence cancelled.
Plumbers, Gas Fitters & Electricians Act		
Kilsby, Geoffrey	Disciplinary action against a bankrupt who is also a director of a company that has been wound up for the benefit of creditors.	Licence cancelled.
Building Work Contractors Act		
MacDiarmid, Robert	Matter discontinued, employee only condition placed on licence.	Matter discontinued, employee only condition placed on licence.
Onley, John	Disciplinary action against licensed builder for bankruptcy, providing false information and acting contrary to another Act.	Surrendered licence. Matter discontinued.
Ossovani, Rudolph	Disciplinary action against licensed builder on grounds of bankruptcy and directorship of an insolvent company.	Resolved by agreement. imposed on licence until 2007. Matter discontinued.
Myszczew, Paul Eugene	Disciplinary action against a bankrupt builder.	Proper cause for disciplinary action established. Conditions imposed on licence until 27 April 2009 that Myszczew contract only with licensed builders and that he disclose his bankruptcy to them.
Weger, Robert	Disciplinary action against director of an insolvent company.	Surrendered licence. Matter discontinued.
Crilly, Simon Peter	Disciplinary action against licensed building work contractor due to bankruptcy.	Action discontinued at discretion of the Commissioner for Consumer Affairs.
Mulley, David	Disciplinary action against licensed builder on grounds of bankruptcy.	Licence disqualified.
Cummins, Christopher Daniel	Disciplinary action against licensed builder on grounds of bankruptcy.	Licence surrendered. Matter discontinued.
Hartjes, Mark and Michelle	Disciplinary action against licensed builders on grounds of insolvency.	Proper cause established, licence cancelled.

Name	Conduct	Outcome of Court Action
Harwood, Michael David	Disciplinary action against licensed builder on grounds of bankruptcy and a director of an insolvent company.	Licence surrendered. Matter discontinued.
Griggs, David John	Directorship of an insolvent company, failing to take out indemnity insurance and acting outside scope of license.	Licence cancelled. Prohibited from being director of building work company.
McGrail, Anthony	License and registration cancelled. Disqualified from holding license and registration. Prohibited from being a director of a building company.	Licensed and registered builder supervisor working outside the scope of license and having no indemnity insurance.
Speck, Robert Noel	Unlicensed building work.	Prosecution fined \$10,000.00. CSO now to advise re disciplinary action.

Second-hand Vehicle Dealers Act

Kneisberg, Herbert	Disciplinary action against an unlicensed second-hand vehicle dealer for advertisement and/or sale of approximately twenty vehicles.	\$3,000 fine imposed, disqualified from holding a licence and prohibited from being a director of a second-hand motor vehicle company and from being employed/engaged in business regarding second-hand motor vehicles.
Wisniewski, Richard	Disciplinary action against unlicensed second-hand vehicle dealer alleging advertisement of 28 vehicles and sale of five of them.	\$4,000 fine imposed.

Security and Investigation Agents Act

Diamandopoulos, John	Disciplinary action against licensed security and investigation agent on grounds of directorship of an insolvent company.	Employee condition imposed on licence for five years from date of insolvency (September '99).
Shepherd, Andrew John	Disciplinary action against licensed security agent on ground of recent conviction for assault occasioning actual bodily harm.	Licence surrendered. Matter discontinued.
Alinejad, Navid	Disciplinary action against licensed agent on ground of indictable offences.	Licence cancelled.
Boynton, Basil Elvin	Disciplinary action against licensed security and investigation agent on ground of recent conviction for assault occasioning actual bodily harm.	Conditions imposed on licence such that he is limited to guard work.

Name	Conduct	Outcome of Court Action
Dix, Gregory Deane	Disciplinary action against licensed security and investigation agent on grounds of conviction for imposition (social security fraud).	Licence cancelled.
Worthington, Alexander	Disciplinary action against unlicensed agent working while employed by a nightclub for ten months.	Agent disqualified and prohibited from taking part in the industry for 10 years and was fined \$750.00.
Walker, Lance Gilbert	Convicted of prescribed offences - assault occasioning actual bodily harm.	Walker to undertake conflict management courses. Assurance given to Commissioner that he will not commit offences of violence. Matter discontinued.
Conveyancers Act		
Radovanovic, John	Disciplinary action against registered conveyancer on ground of bankruptcy.	Licence surrendered. Matter discontinued

Matters with lawyers or pending the completion of the court process as at 30 June 2001:

Act	
Building Work Contractors Act 1995	6
Conveyancers Act	1
Fair Trading Act	2
Land Agents Act	1
Plumbers Gas Fitters and Electricians Act	5
Second-hand Vehicle Dealers Act	6
Security and Investigations Agents Act	8
Total	29

Recommended actions:

- 15 Prosecutions; and
- 14 Disciplinary Actions.

Appendix Eight

Tenancies Branch

	June 01	June 00	June 99	June 98	June 97	June 96	June 95
Bonds							
Held	83,539	82,985	82,035	80,361	80,681	78,796	73,705
Lodged	47,655	47,323	47,151	47,311	49,266	51,801	52,281
Refunded	47,100	46,338	45,339	46,726	44,380	46,710	46,936
Tribunal Support							
Applications lodged (Note 1)	11,209	10,717	9,667	8,682	8,041	10,209	12,888
Hearings listed - Metro	8,600	8,695	8,042	6,464	6,388	4,710	4,215
- Country	898	892	652	487	345	245	276
Hearings conducted	7,593	7,366	7,029	5,605	5,496	4,783	4,112
Advisory Section							
Request for assistance	937	926	1,011	1,180	1,015	987	
Tribunal files investigated	1,515	1,427	1,417	1,428	2,598	2,404	3,424
Telephone advice	81,094	83,603	78,406	78,143	86,232	87,978	88,000
Total Telephone Calls Received in Branch (est)	170,079	173,390	152,950	164,000	174,000	160,000	145,000

Note 1: Included approximately 5,000 claims for bond refund that were processed by ten day letter, until the legislation changed on 30 November 1995. These claims are now made to the Commissioner for Consumer Affairs.

Tribunal Hearings

	1998/99		1999/00		2000/01	
	No.	%	No.	%	No.	%
Bonds and compensation	1230	17.5	1083	14.7	1503	19.8
Vacant possession	4852	69.1	5085	69.0	5332	70.2
Immediate termination	52	0.7	33	0.4	39	0.5
Miscellaneous	531	7.6	799	10.8	282	3.7
Retirement villages					41	0.6
Vary or set aside	161	2.3	166	2.3	214	2.8
Exemptions	11	0.1	6	0.1	7	0.1
Section 90 by landlords (tenants conduct)	72	1.0	74	1.0	78	1.0
Section 90 by interested parties (tenants conduct)	120	1.7	120	1.6	97	1.3
Total	7029	100	7366	100	7593	100

The number of matters listed for hearing in the Tribunal increased by 4.79 per cent when compared with the previous 12 months.

Telephone Enquiries - Tenancies Advice

	1998/99	1999/00	2000/01
Incoming Calls	78,406	83,603	81,094
Average speed of answer (sec)	22	21	24
Average duration of calls (sec)	204	213	224

Residential Tenancies Bonds Held as at 30 June 2001

	Tenant provided	SAHT provided	SAHT guarantees	TOTAL
Number of bonds				
1999	59,816	3,747	18,472	82,035
2000	60,314	2,631	20,040	82,985
2001	60,730	1,970	20,839	83,539
Value of bonds				
1999	\$31,558,047	\$1,647,086	\$ 8,536,382	\$41,741,515
2000	\$33,089,447	\$1,160,846	\$ 9,509,496	\$43,759,789
2001	\$34,948,838	\$ 861,762	\$10,069,850	\$45,880,450

Retail Tenancies Bonds - Lodged and Refunded

	Bonds Lodged	Bonds Refunded
1998/99	293	219
1999/00	326	212
2000/01	293	215

Bonds Administration - Telephone Enquiries

	1998/99	1999/00	2000/01
Incoming Calls	40,390	41,559	39,718
Average speed of answer (sec)	20	26	28
Average duration of calls (sec)	122	146	135

Retail Shop Leases - Customer Contact

	1998/99	1999/00	2000/01
Number of telephone calls seeking assistance	2373	2526	2477
Number of interviews conducted	89	68	98

Appendix Nine

Freedom of Information

Fourteen new applications were received during the reporting period compared with six applications during the previous twelve months.

The new applications included requests for policy and personal information held on consumer complaint files.

In previous years, the Registrar of Births Deaths and Marriages has reported separately on FOI applications. During the reporting period, the Registrar appointed the FOI officer for the Office of Consumer and Business Affairs as the FOI officer for the Births Deaths and Marriages Registration Office.

New applications	14
Applications carried over	nil

Appendix Ten

Consultants

Tenancies Branch: Mr John Carr was engaged to conduct a review into aspects of the operation of the Residential Tenancies Tribunal and the Tenancies Branch. Cost - \$15 000.

Appendix Eleven

Residential Tenancies Fund Financial Statement

Statement of Financial Position as at 30 June 2001

	Note	2001 \$' 000	2000 \$' 000
Current assets			
Cash on Hand and on Deposit	6	(76)	-
Investments		5,812	-
Receivables	7	125	-
Other	8	175	-
Total Current Assets		6,036	-
Non-current assets			
Plant and Equipment	9	896	-
Investments		39,896	-
Total Non-Current Assets		40,792	-
Total assets		46,828	-
Current liabilities			
Security Bonds lodged	10	20,545	-
Payables	11	533	-
Other current liabilities	12	23	-
Total Current Liabilities		21,101	-
Non-current liabilities			
Security Bonds lodged	10	16,189	-
Other non-current liabilities	12	246	-
Total Non-Current Liabilities		16,435	-
Total liabilities		37,536	-
Net assets		9,292	-
Equity			
Accumulated Surplus	13	8,590	-
Asset Revaluation Reserve	13	702	-
Total equity		9,292	-

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

Statement of Financial Performance as at 30 June 2001

	Notes	2001 \$' 000	2000 \$' 000
Revenues from ordinary activities			
Interest		3,026	-
Other	2	147	-
Total revenues from ordinary activities		3,173	-
Expenses from ordinary activities			
Employee	3	2,279	-
Accommodation		465	-
Executive/Country cross-charge		230	-
Depreciation	4	84	-
Other	5	625	-
Total expenses from ordinary activities		3,683	-
Net operating deficit from ordinary activities		-510	-
Equity Interest			
Net credit to asset revaluation reserve	13	702	-
Total revenues, expenses and valuation adjustments recognised directly in equity		702	-
Total changes in equity other than those resulting from transactions with owners as owners		192	-

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

Statement of Cash Flows for the year ending 30 June 2001

		2001 \$'000	2000 \$'000
	Note	Inflows/(Outflows)	Inflows/(Outflows)
Cash flows from operating activities			
Cash received			
Interest		703	-
Bond lodgements		23,386	-
Other		31	-
Total cash received		24,120	-
Cash used			
Administration		(3,306)	-
Bond refunds		(21,790)	-
Other		(35)	-
Total cash used		(25,131)	-
Net cash used in operating activities	14	(1,011)	-
Cash flows from investing activities			
Cash received			
Proceeds from investments		1,000	-
Total cash received		1,000	-
Cash used			
Payments for non-current assets		(33)	-
Total cash used		(33)	-
Net cash provided by investing activities		967	-
Net decrease in cash held		(44)	-
Cash at beginning of the reporting period		(32)	-
Cash at the end of the reporting period	6	(76)	-

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

Notes to and forming part of the financial statements - Residential Tenancies

Note 1. Summary of Significant Accounting Policies

1.1. Objectives of the Residential Tenancies Fund

The Residential Tenancies Fund (Fund) is established under the Residential Tenancies Act 1995 (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 and enforcing the Act, education of landlords and tenants about their statutory and contractual rights and obligations, and operations of the Residential Tenancies Tribunal.

1.2. Basis of Accounting

The financial statements are required by Treasurer's Instruction 19 issued pursuant to Section 41 of the Public Finance and Audit Act 1987 and are a general purpose financial report.

The statements have been prepared in accordance with:

- Australian Accounting Standards and Accounting Interpretations issued by Australian Accounting Standards Boards;
- Other authoritative pronouncements of the Boards;
- Consensus Views of the Urgent Issues Group;
- Accounting Policy Statements and Treasurer's Instructions issued by the Department of Treasury and Finance;
- Statements of Accounting Concepts.

The Fund's Statement of Financial Performance and Statement of Financial Position have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets which, as noted are at valuation (written down current cost or deprival value). Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Fund's Statement of Financial Position when and only when it is probable that future economic benefits will eventuate or be required and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an Accounting Standard.

Revenues and expenses are recognised in the Fund's Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

Bond Guarantee Scheme

Under the Bond Guarantee Scheme a guarantee for the bond is given to the landlord by the SA Housing Trust. In the event of a claim by a landlord, a payment is made by the Residential Tenancies Fund. The SA Housing Trust then reimburses the Residential Tenancies Fund. The value of bond guarantees lodged at 30 June 2001 is \$9.9m.

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

Interest

Under the Residential Tenancies Act, interest is paid to tenants when a bond is repaid to them, interest is not paid when a bond is paid to landlords or third parties such as the SA Housing Trust. The interest has not been recorded as a liability, as the Fund does not have a present obligation until the tenant lodges a claim for the repayment of the bond. It is estimated that the interest liability as at 30 June 2001 is \$61,000.

1.3. Changes in Accounting Policy

In previous reporting periods the Fund prepared its financial statements on a cash basis. From 1 July 2000 the Fund has changed its Accounting Policy to use the accrual basis of accounting in accordance with AAS29 'Financial Reporting by Government Departments'.

1.4 Employees

The liability for employee entitlements (provision for annual leave and long service leave) rests with the Attorney-General's Department. No provision has been made for sick leave as all sick leave is non-vesting.

1.5 Taxation

In accordance with the requirements of UIG Abstract 31 "Accounting for the Goods and Services Tax (GST)", revenues, expenses and assets are recognised net of the amount of GST except that:

- the amount of GST incurred by the Fund as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

The net GST receivable to the Australian Taxation Office has been recognised in the Attorney-General's Department's Statement of Financial Position.

1.6 Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at the present value of minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a basis which is representative of the pattern of benefits derived from the leased asset.

Lease incentives taking the form of 'free' leasehold improvements and rent holidays are recognised as liabilities. These liabilities are reduced by allocating lease payments between rental expense and reduction of the liability.

1.7 Cash

Cash means notes and coins held and any deposits held at call with a bank or financial institution. Cash on deposit represent funds held in a Special Deposit Account with the Reserve Bank. Investments represent funds deposited with the Public Trustee Office.

1.8 Financial Instruments

Accounting policies for financial instruments are stated at Note 18.

1.9 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition, unless acquired as a consequence of restructuring administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

1.10 Property, Plant and Equipment

Asset recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Revaluations

In accordance with current Accounting Policy Statements issued by the Department of Treasury and Finance, the Fund has applied the AAS38 'Revaluation of Non-Current Assets' transitional provisions for the public sector and has elected to apply the same revaluation basis (that is deprival value methodology) while the relationship between fair value and the existing valuation basis in the South Australian public sector is examined further.

Furniture and leasehold improvements are revalued on an annual basis based on indices provided by the Department of Administrative and Information Services. Where assets are held which would not be replaced or are surplus to requirements, measurement is at net realisable value.

Depreciation and Amortisation

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the Fund using, in all cases, the straight line method of depreciation. Leasehold improvements are amortised on a straight-line basis over the lesser of the estimated useful life of the improvement or the unexpired period of the lease.

Depreciation/amortisation rates and methods are reviewed at each balance date and necessary adjustments are recognised in the current or future reporting periods as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued.

Depreciation and amortisation rates applying to each class of depreciable asset are based on the following useful lives:

	Years
Leasehold improvements	life of lease
Plant and Equipment	10
Information Technology	3-5

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in Note 4.

1.11 Comparative figures

Prior to 2000-01, the Fund prepared its financial statement using a cash basis of accounting. These statements are the first in which the Fund has used the accrual basis of accounting and as such comparative figures are not applicable.

1.12 Rounding

Amounts have been rounded to the nearest \$1,000.

2. Other Revenue

	2001	2000
	\$'000	\$'000
Other revenues for the Fund comprised:		
Management fee recovery	116	-
Trainee salary recovery	31	-
Total Other Revenues	<u>147</u>	<u>-</u>

3. Employee

	2001	2000
	\$'000	\$'000
Employee expenses for the reporting period comprised:		
Salaries and Wages	1 869	-
Payroll Tax and Superannuation Expenses	338	-
Long Service Leave Expenses	57	-
Other Employee Related Expenses	15	-
Total Employee Expenses	<u>2 279</u>	<u>-</u>

4. Depreciation and Amortisation

	2001	2000
	\$'000	\$'000
Depreciation and Amortisation expenses for the reporting period comprised:		
Leasehold Improvements	18	-
Plant and Equipment	38	-
Information Technology	22	-
Plant and Equipment under finance lease.	6	-
Total Depreciation and Amortisation	<u>84</u>	<u>-</u>

5. Other Expenses

	2001 \$'000	2000 \$'000
Other expenses for the Fund comprised:		
Administration	465	-
Staff Payments	48	-
Consultancies	15	-
Computing and Communication	72	-
Audit Fees	19	-
Other	6	-
Total Other expenses	<u>625</u>	<u>-</u>

6. Cash on Hand and on Deposit

	2001 \$'000	2000 \$'000
Special Deposit Accounts with Reserve Bank	(76)	-
Total Cash on Hand and on Deposit	<u>(76)</u>	<u>-</u>

7. Receivables

	2001 \$'000	2000 \$'000
Current		
Accrued interest	125	-
Total Receivables	<u>125</u>	<u>-</u>

8. Other Current Assets

	2001 \$'000	2000 \$'000
Lease incentive	196	-
Working Accounts	(21)	-
Total Other Current Assets	<u>175</u>	<u>-</u>

9A. Property, Plant and Equipment

	Cost/ Valuation	Accumulated Depreciation/ Amortisation	Written Down Value	
	2001 \$'000	2001 \$'000	2001 \$'000	2000 \$'000
Leasehold Improvements (1)	1 046	489	557	-
Information Technology (2)	79	38	41	-
Plant and Equipment (2)	563	272	291	-
Plant and Equipment under finance lease	23	16	7	-
	<u>1 711</u>	<u>815</u>	<u>896</u>	<u>-</u>

(1) Valuations of leasehold improvements and furniture were done internally by the Attorney-General's Department on a square metre basis using valuation indices. These indices were provided by the Department for Administrative and Information Services.

(2) Valuations of other plant and equipment and information technology were conducted internally by the Attorney-General's Department based on current replacement costs, in accordance with Treasury's policy on valuations of non-current assets.

Note 9B Property, Plant and Equipment - Movement Schedule

Account Description	Asset Cost/Valuation						Accumulated Depreciation						Net Book Value	
	Opening Bal.	Additions	Disposals	Reval's	Other	Closing Bal.	Opening Bal.	Charge	Disposals	Reval's	Other	Closing Bal.	Current YR	Prior YR
	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$	Amount \$
Leasehold Improvements at Valuation	671	0	0	375	0	1046	300	18	0	171	0	489	557	-
Total Buildings	671	0	0	375	0	1046	300	18	0	171	0	489	557	-
Plant & Equipment														
Information Technology	149	8	90	0	12	79	119	22	90	0	-13	38	41	-
Plant and Equipment at Valuation	354	25	0	187	-3	563	154	38	0	80	0	272	291	-
Total Plant & Equipment	503	33	90	187	9	642	273	60	90	80	-13	310	332	-
Leased Plant & Equipment														
Plant & Equipment under finance lease	23	0	0	0	0	23	10	6	0	0	0	16	7	-
Total Leased Plant & Equipment	23	0	0	0	0	23	10	6	0	0	0	16	7	-
Total Plant & Equipment	526	33	90	187	9	665	283	66	90	80	-13	326	339	-
Total Property, Plant & Equipment	1197	33	90	562	9	1711	583	84	90	251	-13	815	896	-

10. Security Bonds Lodged

	2001 \$'000	2000 \$'000
Current		
Bonds Lodged	20 531	-
Sale of Goods	12	-
Rent held pursuant to tribunal direction	2	-
Total Other Current Liabilities	<u>20 545</u>	<u>-</u>
Non Current		
Bonds Lodged	16 189	-
Total Other Non Current Liabilities	<u>16 189</u>	<u>-</u>

11. Payables

	2001 \$'000	2000 \$'000
Current		
Creditors	514	-
Accruals	19	-
Total Current Payables	<u>533</u>	<u>-</u>

12A. Other Liabilities

	2001 \$'000	2000 \$'000
Current		
Finance Lease (refer note 12B)	7	-
Lease Incentive	16	-
Total Other Current Liabilities	<u>23</u>	<u>-</u>
Non Current		
Finance Lease (refer note 12B)	1	-
Lease Incentive	245	-
Total Other Non Current Liabilities	<u>246</u>	<u>-</u>

12B. Finance Leases

At the reporting date, the Fund had the following obligations under finance leases (the sum of which is recognised as a liability after deduction of future finance lease charges included in the obligation):

	2001 \$' 000	2000 \$' 000
Payable no later than one year	7	-
Payable later than one year and not later than five years	1	-
Payable later than five years	-	-
Total Finance Leases	<u>8</u>	<u>-</u>

	2001 \$' 000	2000 \$' 000
Minimum Lease Payments	8	-
deduct: Future Finance Charges	-	-
Lease Liability	<u>8</u>	<u>-</u>
Classified as:		
Current	7	-
Non Current	<u>1</u>	<u>-</u>
	<u>8</u>	<u>-</u>

Finance leases exist in relation to certain office equipment assets. The leases are non-cancellable and for fixed terms of 4 years. The Fund guarantees the residual values of all assets leased. There are no contingent rentals.

13. Equity

Equity represents the residual interest in the Fund's net assets. The South Australian Government holds the equity interest in the Fund on behalf of the community. Equity comprises:

	2001 \$' 000	2000 \$' 000
Accumulated Surplus		
Balance as at 1 July	9 100	-
Net operating deficit from ordinary activities	(510)	-
Balance as at 30 June	<u>8 590</u>	<u>-</u>
Asset Revaluation Reserve		
Balance as at 1 July	0	-
Revaluation Adjustments:-		
Investments	392	-
Building Fixture and Fittings	203	-
Building Furniture	107	-
Balance as at 30 June	<u>702</u>	<u>-</u>
Balance as at 30 June is made up of:		
Investments	392	-
Building Fixture and Fittings	203	-
Building Furniture	107	-
Balance as at 30 June	<u>702</u>	<u>-</u>

14. Cash Flow Reconciliation

	2001	2000
	\$' 000	\$' 000
Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows		
Cash at year end per Statement of Cash Flows	(76)	-
Statement of Financial Position items comprising above cash	(76)	-
Reconciliation of operating deficit to net cash used in operating activities:		
Net deficit	(510)	-
Add non cash items:		
Depreciation and amortisation	84	-
Change in assets and liabilities		-
Movement in bonds	1596	-
Increase in payables	181	-
Increase in other liabilities	77	-
Decrease in receivables	59	-
Movement in investments	(2498)	-
Net cash used in operating activities	<u>(1 011)</u>	<u>-</u>

15. Contingent Obligations

The Fund has no contingent obligations.

16. Remuneration of Auditors

The amount payable by the Fund for audit services during the reporting period was \$19,000. No other services were provided by the Auditor-General.

17. Average Staffing Levels

	2001	2000
The average staffing levels for the business operation during the year were:	46	-

18. Financial Instruments

a. Terms, Conditions and Accounting Policies.

Financial Assets

- Cash and Deposits are available at call and are recorded at cost. Interest on cash at bank is calculated quarterly by the Department of Treasury and Finance.
- Receivables are reported at amounts due to the Fund. Receivables are due within 30 days of an invoice being raised.
- Investments are recorded at net fair value based upon valuation provided by the Public Trustee.

Financial Liabilities

- Payables and Accruals are raised from amounts unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed.

b. Interest Rate Risk

	Floating Interest Rate		Non-Interest Bearing		Total Carrying Amount as per Statement of Financial Position		Weighted Average Effective Interest Rate Percent	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Financial Assets								
Cash at Bank	(76)	-	-	-	(76)	-	5.77	-
Investments	45 708	-	-	-	45 708	-	6.5	-
Receivables	-	-	125	-	125	-	-	-
Total	45 632	-	125	-	45 757	-	-	-
Financial Liabilities								
Payables	-	-	533	-	533	-	-	-
Total	-	-	533	-	533	-	-	-

c. Net Fair Values

All financial instruments are valued at the carrying amount as per the Statement of Financial Position, which approximates net fair value. The carrying amount of Financial Assets approximates net fair value due to their short term maturity or being receivable on demand. The carrying amount of Financial Liabilities is considered to be a reasonable estimate of net fair value.

Statement by Executive

In our opinion the financial statements and notes to the statements are presented fairly in accordance with Statements of Accounting Concepts, applicable Accounting Standards, Urgent Issues Group Consensus Views and Other Professional Mandatory Reporting Requirements, the Public Finance Audit Act 1987, as amended and the Treasurer's Instructions, the financial position of the Residential Tenancies Fund as at 30 June 2001 and the result of its operations and its cash flows for the year ended 30 June 2001, and the internal controls over financial reporting have been effective throughout the reporting period.



M Bodycoat
Commissioner for Consumer Affairs



B Scholz
Manager, Tenancies Branch

September 2001



Auditor-General's
Department

INDEPENDENT AUDIT REPORT

TO THE COMMISSIONER FOR CONSUMER AFFAIRS

SCOPE

As required by section 31 of the *Public Finance and Audit Act 1987* and section 102 of the *Residential Tenancies Act 1995*, I have audited the financial report of the Residential Tenancies Fund for the financial year ended 30 June 2001. The financial report comprises:

- A Statement of Financial Performance;
- A Statement of Financial Position;
- A Statement of Cash Flows;
- Notes to and forming part of the Financial Statements;
- Certificate by the Commissioner for Consumer Affairs and the Manager, Tenancies Branch.

The Commissioner for Consumer Affairs and the Manager, Tenancies Branch are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the Commissioner for Consumer Affairs.

The audit has been conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards to provide reasonable assurance that the financial report is free of material misstatement.

Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, Australian Accounting Standards and other mandatory professional reporting requirements including Urgent Issues Group Consensus Views so as to present a view which is consistent with my understanding of the Residential Tenancies Fund's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In my opinion, the financial report presents fairly in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Australian Accounting Standards and other mandatory professional reporting requirements, the financial position of the Residential Tenancies Fund as at 30 June 2001, the results of its operations and its cash flows for the year then ended.

24 September 2001

K I MacPHERSON
AUDITOR-GENERAL

Appendix Twelve

Second-hand Vehicles Compensation Fund Financial Statement

Statement of Cash Flows as at 30 June 2001

	Note	2001 \$' 000 Inflows/(Outflows)	2000 \$' 000 Inflows/(Outflows)
Cash Flows from Operating Activities			
Cash received			
Interest		10	-
Contributions by Licences		301	-
Other		6	-
Total cash received		317	-
Cash used			
Admininstration		(35)	-
Claims		(160)	-
Other		(8)	-
Total cash used		(203)	-
Net cash from operating activities	9	114	-
Cash Flows from Investing Activities			
Cash received			
Proceeds from investments		0	-
Total cash received		0	-
Cash used			
Payments for non-current assets		0	-
Total cash used		0	-
Net cash provided by investing activities		0	-
Net increase in cash held		114	-
Cash at beginning of the reporting period		42	-
Cash at the end of the reporting period	5	156	-

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

Note 1. Summary of Significant Accounting Policies

1.1 Objectives of the Second-hand Vehicles Compensation Fund

The Second-hand Vehicles Compensation Fund (Fund) is regulated by the Second-hand Vehicle Dealers Act 1995 (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.

1.2 Basis of Accounting

The financial statements are required by Treasurer's Instruction 19 issued pursuant to Section 41 of the Public Finance and Audit Act 1987 and are a general purpose financial report.

The statements have been prepared in accordance with:

- Australian Accounting Standards and Accounting Interpretations issued by Australian Accounting Standards Boards;
- Other authoritative pronouncements of the Boards;
- Consensus Views of the Urgent Issues Group;
- Accounting Policy Statements and Treasurer's Instructions issued by the Department of Treasury and Finance;
- Statements of Accounting Concepts.

The Fund's Statement of Financial Performance and Statement of Financial Position have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets which, as noted are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Fund's Statement of Financial Position when and only when it is probable that future economic benefits will eventuate or be required and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an Accounting Standard.

Revenues and expenses are recognised in the Fund's Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

1.3 Changes in Accounting Policy

In previous reporting periods the Fund prepared its financial statements on a cash basis. From 1 July 2000 the Fund has changed its Accounting Policy to use the accrual basis of accounting in accordance with AAS29 'Financial Reporting by Government Departments'.

1.4 Taxation

In accordance with the requirements of UIG Abstract 31 "Accounting for the Goods and Services Tax (GST)", revenues, expenses and assets are recognised net of the amount of GST except that:

- the amount of GST incurred by the Fund as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

The net GST receivable to the Australian Taxation Office has been recognised in the Attorney-General's Department's Statement of Financial Position.

1.5 Cash

Cash means notes and coins held and any deposits held at call with a bank or financial institution. Cash on deposit represent funds held in a Special Deposit Account with the Reserve Bank. Investments represent funds deposited with the Public Trustee Office.

1.6 Financial Instruments

Accounting policies for financial instruments are stated at Note 12.

1.7 Comparative Figures

Prior to 2000-01, the Fund prepared its financial statement using a cash basis of accounting. These statements are the first in which the Fund has used the accrual basis of accounting and as such comparative figures are not applicable.

1.8 Rounding

Amounts have been rounded to the nearest \$1,000.

2. Other Revenue

	2001 \$'000	2000 \$'000
Other revenues for the Fund comprised:		
Management fee recovery	5	-
Revaluation increment	17	-
Sundry recovery	6	-
Total Other Revenues	<u>28</u>	<u>-</u>

3. Claims

Payments to settle valid unsatisfied claims against 4 (4 in 1999/2000) second hand vehicle dealers.

4. Administration

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

5. Cash on Hand and on Deposit

	2001 \$'000	2000 \$'000
Special Deposit Accounts with Reserve Bank	156	-
Total Cash on Hand and on Deposit	<u>156</u>	<u>-</u>

6. Receivables

	2001 \$'000	2000 \$'000
Accrued interest	6	-
Total Receivables	<u>6</u>	<u>-</u>

7. Payables

	2001 \$'000	2000 \$'000
Current		
Accruals	6	-
Total Current Payables	<u>6</u>	<u>-</u>

8. Equity

Equity represents the residual interest in the Fund's net assets. The South Australian Government holds the equity interest in the Fund on behalf of the community. Equity comprises:

	2001 \$' 000	2000 \$' 000
Accumulated Surplus		
Balance as at 1 July	1 631	-
Net operating surplus from ordinary activities	233	-
Balance as at 30 June	<u>1 864</u>	<u>-</u>

9. Cash Flow Reconciliation

	2001 \$'000	2000 \$'000
Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows		
Cash at year end per Statement of Cash Flows	156	-
Statement of Financial Position items comprising above cash	156	-
Reconciliation of operating surplus to net cash from operating activities:		
Net surplus	233	-
Change in assets and liabilities		-
Decrease in payables	(10)	-
Increase in receivables	(3)	-
Movement in investments	(106)	-
Net cash from operating activities	<u>114</u>	<u>-</u>

10. Contingent Obligations

The Fund has an estimated contingent obligation to pay \$400,000 relating to current and expected claims against the Fund.

11. Remuneration of Auditors

The amount payable by the Fund for audit services during the reporting period was \$6,000. No other services were provided by the Auditor-General.

12. Financial Instruments

a. Terms, Conditions and Accounting Policies.

Financial Assets

- Cash and Deposits are available at call and are recorded at cost. Interest on cash at bank is calculated quarterly by the Department of Treasury and Finance.
- Receivables are reported at amounts due to the Fund. Receivables are due within 30 days of an invoice being raised.
- Investments are recorded at net fair value based upon valuation provided by the Public Trustee.

Financial Liabilities

- Payables and Accruals are raised from amounts unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed.

b. Interest Rate Risk

	Floating Interest Rate		Non-Interest Bearing		Total Carrying Amount as per Statement of Financial Position		Weighted Average Effective Interest Rate Percent	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Financial Assets								
Cash at Bank	156	-	-	-	156	-	5.77	-
Investments	1 708	-	-	-	1 708	-	6.5	-
Receivables	-	-	6	-	6	-	-	-
Total	1 864	-	6	-	1 870	-	-	-
Financial Liabilities								
Payables	-	-	6	-	6	-	-	-
Total	-	-	6	-	6	-	-	-

c. Net Fair Values

All financial instruments are valued at the carrying amount as per the Statement of Financial Position, which approximates net fair value. The carrying amount of Financial Assets approximates net fair value due to their short term maturity or being receivable on demand. The carrying amount of Financial Liabilities is considered to be a reasonable estimate of net fair value.

Statement by Executive

In our opinion the financial statements and notes to the statements are presented fairly in accordance with Statements of Accounting Concepts, applicable Accounting Standards, Urgent Issues Group Consensus Views and Other Professional Mandatory Reporting Requirements, the Public Finance Audit Act 1987, as amended and the Treasurer's Instructions, the financial position of the Second Hand Vehicles Compensation Fund as at 30 June 2001 and the result of its operations and its cash flows for the year ended 30 June 2001, and the internal controls over financial reporting have been effective throughout the reporting period.



M Bodycoat
Commissioner for Consumer Affairs



D Schomburgk
Manager, Consumer Affairs

October 2001



Auditor-General's
Department

INDEPENDENT AUDIT REPORT

TO THE COMMISSIONER FOR CONSUMER AFFAIRS SECOND-HAND VEHICLES COMPENSATION FUND

SCOPE

As required by section 31 of the *Public Finance and Audit Act 1987* and section 6 of schedule 3 to the *Second-hand Vehicle Dealers Act 1995*, I have audited the financial report of the Second-hand Vehicles Compensation Fund for the financial year ended 30 June 2001. The financial report comprises:

- A Statement of Financial Performance;
- A Statement of Financial Position;
- A Statement of Cash Flows;
- Notes to and forming part of the Financial Statements;
- Certificate by the Commissioner for Consumer Affairs and the Manager, Consumer Affairs.

The Commissioner for Consumer Affairs and the Manager, Consumer Affairs are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the Commissioner for Consumer Affairs.

The audit has been conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards to provide reasonable assurance that the financial report is free of material misstatement.

Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, Australian Accounting Standards and other mandatory professional reporting requirements including Urgent Issues Group Consensus Views so as to present a view which is consistent with my understanding of the Second-hand Vehicles Compensation Fund's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In my opinion, the financial report presents fairly in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Australian Accounting Standards and other mandatory professional reporting requirements, the financial position of the Second-hand Vehicles Compensation Fund as at 30 June 2001, the results of its operations and its cash flows for the year then ended.

29 October 2001

S O'Neill
DEPUTY AUDITOR-GENERAL

Apendix Thirteen

Agents Indemnity Fund Financial Statement

Statement of Cash Flows for the year ended 30 June 2001

	Note	2001 \$' 000	2000 \$' 000
		Inflows/(Outflows)	Inflows/(Outflows)
Cash Flows from Operating Activities			
Cash received			
Interest		3,697	-
Other		35	-
Total cash received		3,732	-
Cash used			
Claims		(464)	-
Administration		(186)	-
Professional costs		(130)	-
Other		(159)	-
Total cash used		(939)	-
Net cash from operating activities	10	2,793	-
Cash Flows from Investing Activities			
Cash received			
Proceeds from investments		0	-
Total cash received		0	-
Cash used			
Purchases of investment		0	-
Total cash used		0	-
Net cash provided by investing activities		0	-
Net increase in cash held		2,793	-
Cash at beginning of the reporting period		669	-
Cash at the end of the reporting period	6	3,462	-

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

Notes to and forming part of the financial statement - Agents Indemnity Fund

Note 1. Summary of Significant Accounting Policies

1.1. Objectives of the Agents Indemnity Fund

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

1.2. Basis of Accounting

The financial statements are required by Treasurer's Instruction 19 issued pursuant to Section 41 of the Public Finance and Audit Act 1987 and are a general purpose financial report.

The statements have been prepared in accordance with:

- Australian Accounting Standards and Accounting Interpretations issued by Australian Accounting Standards Boards;
- Other authoritative pronouncements of the Boards;
- Consensus Views of the Urgent Issues Group;
- Accounting Policy Statements and Treasurer's Instructions issued by the Department of Treasury and Finance;
- Statements of Accounting Concepts.

The Fund's Statement of Financial Performance and Statement of Financial Position have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets which, as noted are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Fund's Statement of Financial Position when and only when it is probable that future economic benefits will eventuate or be required and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an Accounting Standard.

Revenues and expenses are recognised in the Fund's Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

1.3. Changes in Accounting Policy

In previous reporting periods the Fund prepared its financial statements on a cash basis. From 1 July 2000 the Fund has changed its Accounting Policy to use the accrual basis of accounting in accordance with AAS29 'Financial Reporting by Government Departments'.

1.4 Taxation

In accordance with the requirements of UIG Abstract 31 "Accounting for the Goods and Services Tax (GST)", revenues, expenses and assets are recognised net of the amount of GST except that:

- the amount of GST incurred by the Fund as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

The net GST receivable to the Australian Taxation Office has been recognised in the Attorney-General's Department's Statement of Financial Position.

1.5 Cash

Cash means notes and coins held and any deposits held at call with a bank or financial institution. Cash on deposit represent funds held in a Special Deposit Account with the Reserve Bank. Investments represent funds deposited with the Public Trustee Office.

1.6 Financial Instruments

Accounting policies for financial instruments are stated at Note 13.

1.7 Comparative figures

Prior to 2000-01, the Fund prepared its financial statement using a cash basis of accounting. These statements are the first in which the Fund has used the accrual basis of accounting and as such comparative figures are not applicable.

1.8 Rounding

Amounts have been rounded to the nearest \$1,000.

2. Interest

	2001 \$'000	2000 \$'000
Interest for the Fund comprised:		
Interest from Land Agent/Conveyancer Trust accounts	3583	-
Interest on Investments held with Public Trustee	1157	-
Interest on deposits with the Dept of Treasury and Finance	118	-
Total Interest	4858	-

3. Other Revenues

	2001 \$'000	2000 \$'000
Other Revenues for the Fund comprised:		
Management fee recovery	58	-
Sundry recovery	35	-
Total Other Revenues	93	-

4. Claims

The amount of claims against a defaulting conveyancer/mortgage financier and a land agent.

5. Other Expenses

	2001	2000
	\$'000	\$'000
Other expenses for the Fund comprised:		
Consumer Education	156	-
Audit Fees	6	-
Debt recovery fees	5	-
Other	6	-
Total Other expenses	173	-

6. Cash on Hand and on Deposit

	2001	2000
	\$'000	\$'000
Special Deposit Accounts with Reserve Bank	3462	-
Total Cash on Hand and on Deposit	3462	-

7. Receivables

	2001	2000
	\$'000	\$'000
Current		
Accrued interest	90	-
Total Receivables	90	-

8. Payables

	2001	2000
	\$'000	\$'000
Current		
Creditors	62	-
Accruals	6	-
Total Current Payables	68	-

9. Equity

Equity represents the residual interest in the Fund's net assets. The South Australian Government holds the equity interest in the Fund on behalf of the community. Equity comprises:

	2001	2000
	\$' 000	\$' 000
Accumulated Surplus		
Balance as at 1 July	18 111	-
Net operating surplus from ordinary activities	4 011	-
Balance as at 30 June	22 122	-

	2001 \$' 000	2000 \$' 000
Asset Revaluation Reserve		
Balance as at 1 July	3 120	-
Revaluation Adjustments:		
Investments	<u>265</u>	<u>-</u>
Balance as at 30 June	<u>3 385</u>	<u>-</u>
Balance as at 30 June is made up of:		
Investments	<u>3 385</u>	<u>-</u>
Balance as at 30 June	<u>3 385</u>	<u>-</u>

10. Cash Flow Reconciliation

	2001 \$'000	2000 \$'000
Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows		
Cash at year end per Statement of Cash Flows	3462	-
Statement of Financial Position items comprising above cash	3462	-
Reconciliation of operating surplus to net cash from operating activities:		
Net surplus	4 011	-
Change in assets and liabilities		-
Increase in payables	1	
Increase in receivables	(81)	-
Movement in investments	(1 138)	-
Net cash from operating activities	2 793	-

11. Contingent Obligations

The Fund has an estimated contingent obligation to pay \$1,000,000 relating to current and expected claims against the Fund.

12. Remuneration of Auditors

The amount payable by the Fund for audit services during the reporting period was \$6,000. No other services were provided by the Auditor-General.

13. Financial Instruments

a. Terms, Conditions and Accounting Policies

Financial Assets

- Cash and Deposits are available at call and are recorded at cost. Interest on cash at bank is calculated quarterly by the Department of Treasury and Finance.
- Receivables are reported at amounts due to the Fund. Receivables are due within 30 days of an invoice being raised.
- Investments are recorded at net fair value based upon valuation provided by the Public Trustee.

Financial Liabilities

- Payables and Accruals are raised from amounts unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed.

b. Interest Rate Risk

	Floating Interest Rate		Non-Interest Bearing		Total Carrying Amount as per Statement of Financial Position		Weighted Average Effective Interest Rate Percent	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Financial Assets								
Cash at Bank	3462	-	-	-	3462	-	5.77	-
Investments	22023	-	-	-	22023	-	6.5	-
Receivables	-	-	90	-	90	-	-	-
Total	25485	-	90	-	25575	-	-	-
Financial Liabilities								
Payables	-	-	68	-	68	-	-	-
Total	-	-	68	-	68	-	-	-

c. Net Fair Values

All financial instruments are valued at the carrying amount as per the Statement of Financial Position, which approximates net fair value. The carrying amount of Financial Assets approximates net fair value due to their short term maturity or being receivable on demand. The carrying amount of Financial Liabilities is considered to be a reasonable estimate of net fair value.

Statement by Executive

In our opinion the financial statements and notes to the statements are presented fairly in accordance with Statements of Accounting Concepts, applicable Accounting Standards, Urgent Issues Group Consensus Views and Other Professional Mandatory Reporting Requirements, the Public Finance Audit Act 1987, as amended and the Treasurer's Instructions, the financial position of the Agents Indemnity Fund as at 30 June 2001 and the result of its operations and its cash flows for the year ended 30 June 2001, and the internal controls over financial reporting have been effective throughout the reporting period.



M Bodycoat
Commissioner for Consumer Affairs



D Schomburgk
Manager, Consumer Affairs

October 2001



Auditor-General's
Department

INDEPENDENT AUDIT REPORT

TO THE COMMISSIONER FOR CONSUMER AFFAIRS AGENTS INDEMNITY FUND

SCOPE

As required by section 31 of the *Public Finance and Audit Act 1987*, section 41 of the *Land Agents Act 1994* and section 43 of the *Conveyancers Act 1994*, I have audited the financial report of the Agents Indemnity Fund for the financial year ended 30 June 2001. The financial report comprises:

- A Statement of Financial Performance;
- A Statement of Financial Position;
- A Statement of Cash Flows;
- Notes to and forming part of the Financial Statements;
- Certificate by the Commissioner for Consumer Affairs and the Manager, Consumer Affairs.

The Commissioner for Consumer Affairs and the Manager, Consumer Affairs are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the Commissioner for Consumer Affairs.

The audit has been conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards to provide reasonable assurance that the financial report is free of material misstatement.

Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, Australian Accounting Standards and other mandatory professional reporting requirements including Urgent Issues Group Consensus Views so as to present a view which is consistent with my understanding of the Agents Indemnity Fund's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In my opinion, the financial report presents fairly in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Australian Accounting Standards and other mandatory professional reporting requirements, the financial position of the Agents Indemnity Fund as at 30 June 2001, the results of its operations and its cash flows for the year then ended.

29 October 2001

S O'Neill
DEPUTY AUDITOR-GENERAL

Apendix Fourteen

Retail Shop Leases Fund Financial Statement

Statement of Cash Flows for the year ended 30 June 2001

	Note	2001 \$' 000	2000 \$' 000
		Inflows/(Outflows)	Inflows/(Outflows)
Cash Flows from Operating Activities			
Cash received			
Interest		18	-
Bond lodgement		306	-
Total cash received		324	-
Cash used			
Admin		(81)	-
Bond refunds		(181)	-
Total cash used		(262)	-
Net cash from operating activities	9	62	-
Cash Flows from Investing Activities			
Cash used			
Payments for Investment		(250)	-
Total cash used		(250)	-
Net cash used in investing activities		(250)	-
Net decrease in cash held		(188)	-
Cash at beginning of the reporting period		314	-
Cash at the end of the reporting period	4	126	-

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

Notes to and forming part of the financial statements - Retail Shop Leases Fund

Note 1. Summary of Significant Accounting Policies

1.1. Objectives of the Retail Shop Leases Fund

The Retail Shop Leases Fund (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 Retail and Commercial Leases Act 1995 (Act). Income derived from investment of the Fund may be applied towards the costs of administration of the Act, enforcing the Act and education of lessors and lessees about their statutory and contractual rights and obligations.

1.2. Basis of Accounting

The financial statements are required by Treasurer's Instruction 19 issued pursuant to Section 41 of the Public Finance and Audit Act 1987 and are a general purpose financial report.

The statements have been prepared in accordance with:

- Australian Accounting Standards and Accounting Interpretations issued by Australian Accounting Standards Boards;
- Other authoritative pronouncements of the Boards;
- Consensus Views of the Urgent Issues Group;
- Accounting Policy Statements and Treasurer's Instructions issued by the Department of Treasury and Finance
- Statements of Accounting Concepts;

The Fund's Statement of Financial Performance and Financial Position have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets which, as noted are at valuation. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

Assets and liabilities are recognised in the Fund's Financial Position when and only when it is probable that future economic benefits will flow and the amounts of the assets or liabilities can be reliably measured. Assets and liabilities arising under agreements equally proportionately unperformed are however not recognised unless required by an Accounting Standard

Revenues and expenses are recognised in the Fund's Statement of Financial Performance when and only when the flow or consumption or loss of economic benefits has occurred and can be reliably measured.

1.3. Changes in Accounting Policy

In previous reporting periods the Fund prepared its financial statements on a cash basis. From 1 July 2000 the Fund has changed its Accounting Policy to use the accrual basis of accounting in accordance with AAS29 'Financial Reporting by Government Departments'.

1.4 Employees

The liability for employee entitlements (provision for annual leave and long service leave) rests with the Attorney-General's Department. No provision has been made for sick leave as all sick leave is non-vesting.

1.5 Taxation

In accordance with the requirements of UIG Abstract 31 "Accounting for the Goods and Services Tax (GST)", revenues, expenses and assets are recognised net of the amount of GST except that:

- the amount of GST incurred by the Fund as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

The net GST receivable to the Australian Taxation Office has been recognised in the Attorney-General's Department's Statement of Financial Position.

1.6 Cash

Cash means notes and coins held and any deposits held at call with a bank or financial institution. Cash on deposit represent funds held in a Special Deposit Account with the Reserve Bank. Investments represent funds deposited with the Public Trustee Office.

1.7 Financial Instruments

Accounting policies for financial instruments are stated at Note 12

1.8 Comparative figures

Prior to 2000-01, the Fund prepared its financial statement using a cash basis of accounting. These statements are the first in which the Fund has used the accrual basis of accounting and as such comparative figures are not applicable.

1.9 Rounding

Amounts have been rounded to the nearest \$1,000.

2. Administration

	2001	2000
	\$'000	\$'000
Administration expenses for the Fund comprised:		
Employee expenses	72	
Other Admin expense	8	-
Total Other expenses (1)	80	-

(1) Reimbursement paid to the Attorney-General's Department for the cost of administering Part 10 of the Retail and Commercial Leases Act 1995 was \$80,500 (\$80,000 in 1999/2000). Actual costs of administering the Act was \$106,500 (\$110,000 in 1999/2000).

3. Remuneration of Auditors

The amount payable by the Fund for audit services during the reporting period was \$6,000. No other services were provided by the Auditor-General.

4. Cash on Hand and on Deposit

	2001 \$'000	2000 \$'000
Special Deposit Accounts with Reserve Bank	126	-
Total Cash on Hand and on Deposit	126	-

5. Receivables

	2001 \$'000	2000 \$'000
Current		
Accrued interest	3	-
Total Receivables	3	-

6. Security Bonds Lodged

	2001 \$'000	2000 \$'000
Current		
Bonds Lodged 81	-	-
Total Bonds Lodged	181	-
Non Current		
Bonds Lodged 443	-	-
Total Bonds Lodged	1 443	-

7. Other Current Liabilities

	2001 \$'000	2000 \$'000
Current		
Accruals	6	-
Total Other Current Liabilities	6	-

8. Equity

Equity represents the residual interest in the Fund's net assets. The South Australian Government holds the equity interest in the Fund on behalf of the community. Equity comprises:

	2001 \$' 000	2000 \$' 000
Accumulated Surplus		
Balance as at 1 July	106	-
Net operating surplus from ordinary activities	9	-
Balance as at 30 June	<u>115</u>	<u>-</u>
	2001 \$' 000	2000 \$' 000
Asset Revaluation Reserve		
Balance as at 1 July	0	-
Revaluation Adjustments:-		
Investments	8	-
Balance as at 30 June	<u>8</u>	<u>-</u>
Balance as at 30 June is made up of:		
Investments	8	-
Balance as at 30 June	<u>8</u>	<u>-</u>

9. Cash Flow Reconciliation

	2001 \$'000	2000 \$'000
Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows		
Cash at year end per Statement of Cash Flows	126	-
Statement of Financial Position items comprising above cash	126	-
Reconciliation of operating surplus to net cash from operating activities:		
Net surplus	9	-
Change in assets and liabilities		-
Movement in bonds	125	-
Increase in payables	6	-
Decrease in receivables	2	-
Movement in investments	(80)	-
Net cash from operating activities	<u>62</u>	<u>-</u>

10. Contingent Obligations

The Fund has no contingent obligations.

11. Average Staffing Levels

	2001	2000
The average staffing levels for the business operation during the year were:	1.5	-

12. Financial Instruments

a. Terms, Conditions and Accounting Policies.

Financial Assets

- Cash and Deposits are available at call and are recorded at cost. Interest on cash at bank is calculated quarterly by the Department of Treasury and Finance.
- Receivables are reported at amounts due to the Fund. Receivables are due within 30 days of an invoice being raised.
- Investments are recorded at net fair value based upon valuation provided by the Public Trustee.

Financial Liabilities

- Payables and Accruals are raised from amounts unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed.

b. Interest Rate Risk

	Floating Interest Rate		Non-Interest Bearing		Total Carrying Amount as per Statement of Financial Position		Weighted Average Effective Interest Rate Percent	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Financial Assets								
Cash at Bank	126	-	-	-	126	-	5.77	-
Investment	1 624	-	-	-	1 624	-	6.5	-
Receivables	-	-	3	-	3	-	-	-
Total	1 750	-	3	-	1 753	-	-	-
Financial Liabilities								
Payables	-	-	6	-	6	-	-	-
Total	-	-	6	-	6	-	-	-

c. Net Fair Values

All financial instruments are valued at the carrying amount as per the Statement of Financial Position, which approximates net fair value. The carrying amount of Financial Assets approximates net fair value due to their short term maturity or being receivable on demand. The carrying amount of Financial Liabilities is considered to be a reasonable estimate of net fair value.

Statement by Executive

In our opinion the financial statements and notes to the statements are presented fairly in accordance with Statements of Accounting Concepts, applicable Accounting Standards, Urgent Issues Group Consensus Views and Other Professional Mandatory Reporting Requirements, the Public Finance Audit Act 1987, as amended and the Treasurer's Instructions, the financial position of the Retail Shop Leases Fund as at 30 June 2001 and the result of its operations and its cash flows for the year ended 30 June 2001, and the internal controls over financial reporting have been effective throughout the reporting period.



M Bodycoat
Commissioner for Consumer Affairs



B Scholz
Manager, Tenancies Branch

October 2001



Auditor-General's
Department

INDEPENDENT AUDIT REPORT

TO THE COMMISSIONER FOR CONSUMER AFFAIRS RETAIL SHOP LEASES FUND

SCOPE

As required by section 31 of the *Public Finance and Audit Act 1987* and section 72 of the *Retail and Commercial Leases Act 1995*, I have audited the financial report of the Retail Shop Leases Fund for the financial year ended 30 June 2001. The financial report comprises:

- A Statement of Financial Performance;
- A Statement of Financial Position;
- A Statement of Cash Flows;
- Notes to and forming part of the Financial Statements;
- Certificate by the Commissioner for Consumer Affairs and the Manager, Tenancies Branch.

The Commissioner for Consumer Affairs and the Manager, Tenancies Branch are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the Commissioner of Consumer Affairs.

The audit has been conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards to provide reasonable assurance that the financial report is free of material misstatement.

Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, Australian Accounting Standards and other mandatory professional reporting requirements including Urgent Issues Group Consensus Views so as to present a view which is consistent with my understanding of the Retail Shop Leases Fund's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In my opinion, the financial report presents fairly in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Australian Accounting Standards and other mandatory professional reporting requirements, the financial position of the Retail Shop Leases Fund as at 30 June 2001, the results of its operations and its cash flows for the year then ended.

29 October 2001


S O'NEILL
DEPUTY AUDITOR-GENERAL