

*Commissioner for Consumer Affairs 2001/2002*

# Annual report



Government  
of South Australia

31 October 2002

To the Honourable  
The Minister for Consumer Affairs

I have pleasure in submitting to you my annual report for the period ending 30 June 2002 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

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## Introduction

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*In keeping with the aims of its strategic plan, the Office of Consumer and Business Affairs (OCBA) has focussed throughout the past year on maintaining and improving access to its services and the quality of the services themselves. The results of this include the introduction of online payments for business names transactions, business names renewals online, the almost complete development of a program of assisted applications for occupational licences (to begin operation in 2002/2003), the further implementation of a fast tracking system for simple complaints, the wider adoption and refinement of call distribution systems to speed up call answering, and the developing use of interactive voice recognition. It has also maintained its commitment to the maintenance of a real, approachable and effective regional service, and the maintenance of access to its services by traditional means.*

*OCBA has maintained its network of regional offices, and expects to be able to implement significant communications improvements with those offices by bringing them online in the near future. It has also begun the development of a service delivery strategy for other regions where physical representation is not practicable, using partnerships with computer and internet-based facilities like telecentres and the facilities offered by Service SA. The visiting service to Port Lincoln has been maintained, and now can be accessed at the Service SA offices there.*

*Demand for OCBA's services continued at high levels during the year, although there were some downturns in specific areas. The total number of consumer complaints handled declined from over 2900 to just over 2250, but these figures do not include the number of matters that were fast tracked (1272). Total numbers of licensing transactions remained about the same as in previous years, and the total number of transactions in births deaths and marriages declined slightly.*

*Against these figures, OCBA's achievements in managing the impacts of a number of significant events during the year are notable. In particular, it dealt with the ongoing impacts of the collapse of the HIH group of insurance companies, providing assistance to approximately 30 South Australian homeowners who had suffered damage in the wake of the collapse. In addition, the failure of HIH and the withdrawal of another source of insurance from the building indemnity insurance field gave rise to significant difficulties for a substantial number of South Australian builders forced to seek building indemnity insurance from an alternative source. The government implemented, and OCBA administered, a program of ad hoc exemptions from the relevant requirements of the Building Work Contractors Act as an interim measure for builders who encountered difficulties in obtaining insurance. The office also continued the administration of the ongoing flow of claims against the Agents Indemnity Fund, arising out of the collapse of registered conveyancer GC Growden Pty Ltd (in liquidation).*

*During the year, OCBA continued to raise the emphasis placed on supporting education and information with targeted and appropriate enforcement. A number of significant investigations were undertaken, and several of these are expected to result in prosecution action in the near future. Several important prosecutions were also completed, particularly against unlicensed operators in fields where occupational licences are required. The notable results included the successful prosecution and disciplinary action against the unlicensed builder Robert Noel Speck, who was fined and banned from the industry for life, and the prosecution of the unlicensed second-hand vehicle dealer Shafick Elsayed. In addition OCBA secured a number of assurances for lesser breaches of relevant legislation.*

*Education and information services also continued to receive priority. Among other things, OCBA took a leading role in the organisation and presentation of a further series of homebuyers seminars, and undertook the development of a range of new internet-based educational materials for secondary schools, covering a range of basic consumer skills and issues. In total, OCBA produced 32 new publications covering a range of issues. Most OCBA publications are available in hard copy and on the website, from where they can be downloaded.*

Several of the most recent annual reports have referred to the hard work of OCBA's staff and the high level of customer service they deliver. As a concrete demonstration of the levels achieved, OCBA's regular customer satisfaction measurement program reported in November 2001 that 95 per cent of customers rated the service they received from OCBA as good, very good, or excellent. In addition, this year OCBA has undertaken a complementary program of mystery shopping, in which researchers pose as customers. The results of the ensuing interaction are used to rate OCBA's service for accuracy and consistency, and to assess the overall experience from the point of view of a customer. The analysis is used as a basis for ongoing staff training. The overall outcome of the mystery shopping program so far is that OCBA's service rates highly.

These are very pleasing results. They confirm the value of a commitment to pursuing excellence and underscore OCBA's commitment to the values of its strategic plan.

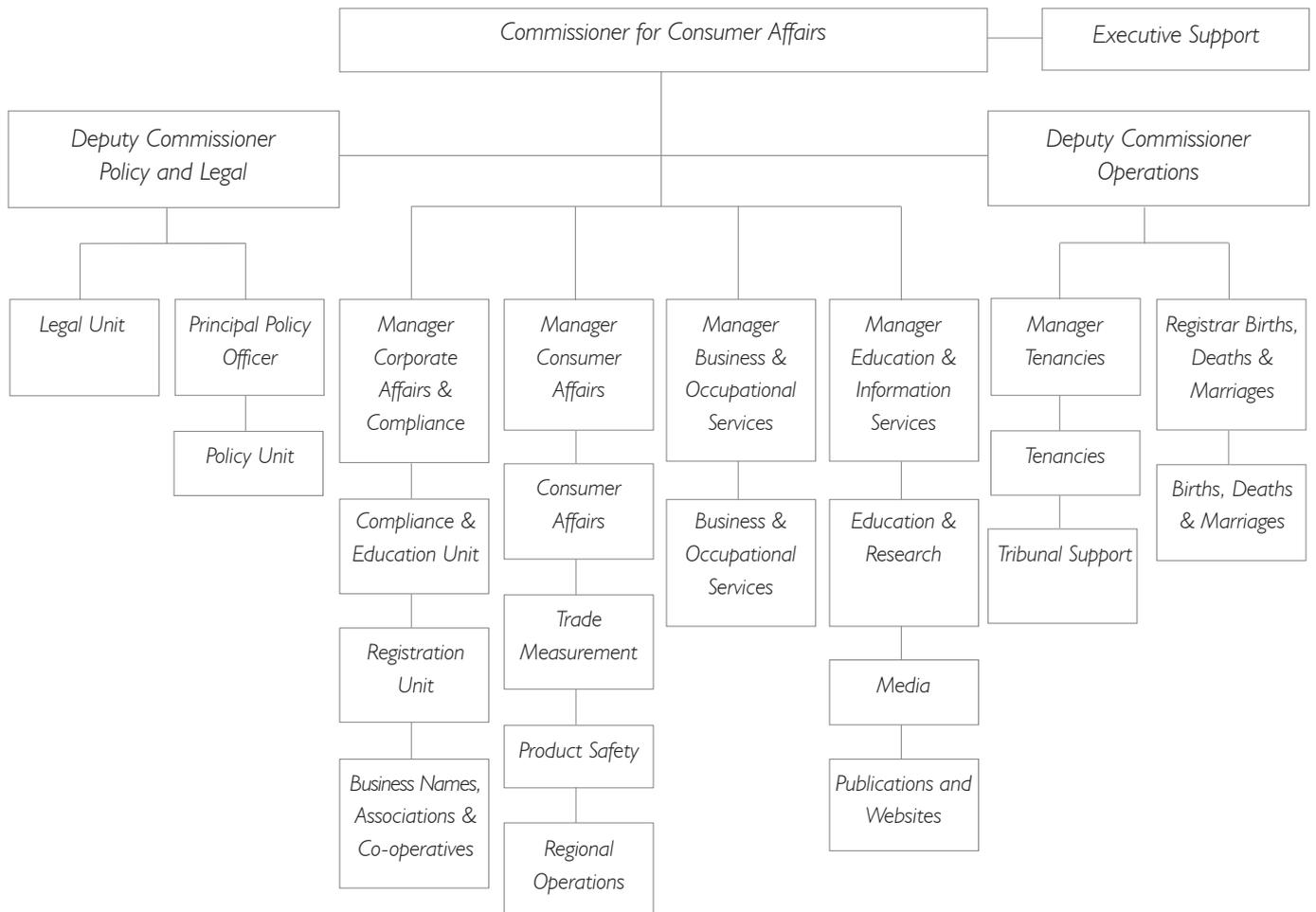
The coming year holds further promise. The ongoing incorporation of technology enhancements, the establishment of internet-based occupational licensing registers, the planned availability of online applications for birth, death and marriage certificates and online business names registrations are some of the developments yet to come. OCBA will also revise and refine its website, including making information available in languages other than English. This will further improve access to its substantial resources of consumer and business information for the whole South Australian community.

I must once again acknowledge the dedication of OCBA staff both to the values of the public sector and to their work for the community of South Australia, and thank them for their ongoing support.



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

# Organisation Chart



## Terminology

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**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

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- (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

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The Commissioner for Consumer Affairs administers the following Acts:

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**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 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:*

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**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:*

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**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:*

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**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:*

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**Births, Deaths and Marriages Registration Act 1996**

*and also has statutory responsibilities under the:*

**Adoption Act 1988****Cremation Act 2000****Sexual Reassignment Act 1988****Witness Protection Act 1996**

*and the administration in South Australia of the Commonwealth's*  
**Marriage Act 1961**

## Statutory Functions

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*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

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*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.*

## Strategic Plan 2001-2003

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*The Office of Consumer and Business Affairs' Strategic Plan has provided a critical framework for our operations, while communicating to the public and staff why we exist and how we will go about achieving our objectives.*

*Our mission guides the work of the Office:*

**To foster a fair, competitive and informed marketplace in cooperation with the community, to regulate defined business activities and to maintain business and civil records.**

*The Office continues to be customer focussed and flexible in its activities, providing accessible services and information. We pride ourselves on ensuring that the legislative framework and its administration are fair and effective.*

**Our organisation's values** are the foundation upon which our actions and decisions are based.

*These values are:*

- *Fairness, integrity and professionalism*
- *Commitment to excellent customer service*
- *Cooperation and respect towards each other and our customers*
- *Recognising the individual contributions of all staff.*

## Office Structure

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The Office of Consumer and Business Affairs is an agency within the Attorney General's Department, headed by the Commissioner for Consumer Affairs, who is a statutory office holder. To assist in the discharge of its function the Office has several branches:

**Births Deaths and Marriages Registration Office** maintains registers and issues relevant certificates of all births, deaths, marriages, changes of name, adoptions of children and reassignments of sex occurring in South Australia. It also provides authorised celebrants and facilities for the conduct of civil marriages in its Marriage Room at Chesser House, Adelaide

**Business and Occupational Services** administers the licensing and registration systems for:

- building work contractors and supervisors
- plumbing contractors and workers
- gas fitting contractors and workers
- electrical contractors and workers
- land agents
- conveyancers
- second-hand vehicle dealers
- security and investigation agents
- travel agents.

**Consumer Affairs** provides advice to consumers and traders in relation to their rights and responsibilities under the *Fair Trading Act 1987* and other consumer legislation. It provides a free, independent dispute resolution service for consumers who are in dispute with traders. It undertakes statewide monitoring and compliance programs, often in conjunction with other branches. It is also responsible for Trade Measurement and Product Safety administration. Staff are located in Adelaide, Mount Gambier, Berri, Port Augusta and Whyalla and the Trade Measurement and Product Safety Section at Thebarton.

**Corporate Affairs and Compliance** maintains public registers for Business Names, Incorporated Associations and Cooperatives. It manages the enforcement of legislation, participates in monitoring programs and investigates alleged breaches.

**Education & Information Services** coordinates and initiates educational activities in line with the statutory responsibility of the Commissioner to conduct consumer education. It develops and disseminates a wide range of information on matters concerning the interests of consumers, and information for businesses, in brochures, information sheets and on the website.

**Policy and Legal Unit** supports the Commissioner to perform his statutory obligations. The Unit provides legal and policy advice to the Commissioner, the Minister and other staff within the Office of Consumer and Business Affairs. In conjunction with the other branches, the Unit develops legislative review initiatives.

**Tenancies** receives and refunds bonds paid by tenants, and provides an advisory and mediation service to tenants and landlords regarding their legislated rights. It manages the Residential Tenancies Fund and the Retail Shop Leases Fund which hold tenants' bonds. The Branch also provides the operational and administrative support for the Residential Tenancies Tribunal.

## Objectives of the Strategic Plan

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To help us with our mission, the Strategic Plan sets out five objectives for the period 2001 - 2003. The following pages outline how the Office of Consumer and Business Affairs addresses these objectives.

### Objective One: Awareness

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**That as far as possible, South Australians recognise and understand our role and function and have fair and reasonable access to services.**

#### Monitoring and Liaison

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The Office continued its extensive **statewide monitoring and compliance program** and provided advice to consumers and traders in relation to their rights under the **Fair Trading Act 1987**. In addition to the Adelaide metropolitan area and major regional centres, the monitoring and compliance program extends to Coober Pedy, Marla and the Pitjantjatjara Lands in the north, Ceduna and Streaky Bay in the west, Mount Gambier in the south, Bordertown in the east and Kangaroo Island.

The program included regular inspections of retail premises, products and instruments used in trade to ensure compliance with the **Fair Trading Act 1987**, **Trade Measurement Act 1993** and **Trade Standards Act 1979**.

As part of the 12 month state-wide monitoring program, 1935 visits were made to traders and service providers targeting different legislation, including:

- **Building Work Contractors Act 1995**
- **Fair Trading Act 1987**
- **Plumbers, Gas Fitters and Electricians Act 1995**
- **Trade Standards Act 1979**
- **Second-hand Vehicle Dealers Act 1995**
- **Security and Investigation Agents Act 1995**
- **Trade Measurement Act 1993**
- **Travel Agents Act 1986.**

Visits to premises incorporating trade measurement inspections included testing of spirit measures, scales, service station driveway flowmeters, LPG dispensers and scanners in supermarkets.

Traders and service providers were presented with packs containing advice and information pertaining to legislation relevant to their business. The packs included the Good Business Guide, laminated "Refund" signs for display on the premises and Consumer Complaint Information Sheets.

The state-wide monitoring program is an effective way of educating traders and consumers and ensures the Office of Consumer and Business Affairs maintains an active presence in metropolitan and country areas of the State. A monitoring plan for 2002/2003 will commence in July 2002.

The Office runs a program of auditing **trust accounts** of land agents and conveyancers to prevent and detect any irregularities in these accounts. Two private sector accounting firms Grant Thornton and Bentleys MRI, who were selected through a public tender process, conducted the audits.

By 31 May 2002, sixty land agents and thirty conveyancer trust accounts were allocated to the two accounting firms.

The licensee compliance audit program began in late 2001. As part of this program, a variety of checks are performed to detect licensees who may no longer be suitable to hold their licences. To date, over 8,000 checks have been performed and over 340 breaches detected.

As part of the **trade measurement routine testing program**:

- 7633 instruments were tested with 806 of those rejected resulting in an average overall compliance rate of 89%.
- 23,865 packages were inspected with 4108 of those rejected resulting in an average overall compliance rate of 83%.
- 4474 unit pricing articles were inspected with 379 of those incorrect resulting in an average overall compliance rate of 92%.

Nineteen Product Safety Recalls were instigated by South Australia. These included such items as: child's dolphin night lamp, child's folding chair, children's toys (inhalation hazard) and an electric kettle.

The Office maintains **close liaison with industry**. Staff members have, through regular meetings with industry groups, represented OCBA on various committees to promote awareness of safety standards and fair trading legislation.

The Office is a member of representative and liaison bodies headed by the Australian Securities and Investments Commission and the Australian Competition and Consumer Commission and works in close cooperation with these agencies.

As part of the Government's consultation and information network, the Office met and maintained liaison with industry through the Building Work Advisory Panel, the 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**. Each panel examined issues relating to classes of licences and registration, competency standards, assessment procedures and training. Membership of the panels includes technical regulators, training bodies, key industry associations and relevant unions.

During the year, the Office participated actively in national licensing forums relating to the building, electrical, plumbing, real estate and security industries. These forums are an important part of the Government's consultation and information network and provide the opportunity to discuss a variety of regulatory issues with a view to establishing, where possible, uniform requirements in accordance with the national uniformity agenda.

The Office also maintains an active role in the Society of Consumer Affairs Professionals (SOCAP), with representation on the SOCAP Board of Management, national projects and at relevant functions.

## Information and Education

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**Information and education** is provided to consumers and businesses through a variety of mechanisms. Most notably the Office of Consumer and Business Affairs publishes an extensive range of information materials. These are available in hard copy or from the Office of Consumer and Business Affairs' website at [www.ocba.sa.gov.au](http://www.ocba.sa.gov.au) free of charge.

As part of its ongoing commitment to providing accessible services across South Australia, the Office has undertaken regular regional visits to provide information and monitor community needs.

The Office ran an education program for licensees under the **Trade Measurement Act 1993** on the latest testing procedures for instruments used in trade using OIML (Organisation Internationale Legale Metrologie) or international testing methods. This testing system is used in conjunction with the National Standards Commission.

A suite of new business and occupational licensing brochures covering all licensed occupations was developed to provide businesses and prospective licensees with easy to understand information on licensing criteria and processes. This includes a fact sheet on the recognition of interstate and New Zealand licences under the Mutual Recognition scheme.

The Minister for Consumer Affairs and the Office implemented a program of exemptions to assist builders with building indemnity insurance. The scheme commenced on 30 May 2002.

The collapse of HIH Insurance and the withdrawal of one of the two remaining providers of building indemnity insurance in South Australia saw many builders experience difficulty in meeting the requirements of the indemnity insurance provisions of the **Building Work Contractors Act 1995**. The Office provided advice on applications by builders to the Minister for Consumer Affairs for exemption from the requirement to take out indemnity insurance for domestic building work. The Office also developed legislation designed to ensure the continued viability of the building indemnity insurance scheme.

The Office undertook a Motor Vehicle Dealers Education Program, which involved visits to 334 dealers. It highlighted issues of non-compliance and aimed to increase understanding amongst dealers of their responsibilities under the **Fair Trading Act 1987** and the **Second-hand Vehicle Dealers Act 1995** and Regulations.

The '**Use a Licensed Tradesperson**' campaign has continued through television advertisements and regular advertising on the electronic scoreboard at Adelaide's AAMI Stadium to remind people to check for the relevant trade licence when engaging a person to carry out work around the home or business.

As part of an ongoing endeavour to ensure widespread understanding of rights and responsibilities, sixty **presentations** were provided to a wide range of groups including country and city registered property managers, landlords and residential tenants to encourage best practice by businesses in the management of their tenancy responsibilities and to advise tenants of ways to minimise landlord disputes.

Close working relationships with consumer groups also continued, with consumer education presentations being provided to organisations such as Probus clubs, Open Door, Neighbourhood Watch, Friendship clubs, Rotary, the Salvation Army and the Anglican Women's Group.

Presentations were also provided to industry and student groups in metropolitan and regional areas on licensing and consumer protection issues, motor vehicle purchases, tenancy matters and credit.

The Office of Consumer and Business Affairs has continued its strong support of and participation in **Homebuyers Seminars**. These seminars provide free independent advice on consumer rights and trader responsibilities to potential homebuyers in South Australia. Eight seminars were held in venues throughout the metropolitan area, with a total of over 2,000 potential homebuyers attending.

Presenters are drawn from both government and private bodies with expertise in the housing and finance fields. Participating organisations in the 2000/2001 Homebuyers series included: Energy SA, Planning SA, Homestart Finance, Archicentre, The Law Society, Real Estate Institute, and CPA Australia.

Office of Consumer and Business Affairs staff attended **Field Days** along with a number of state and federal government agencies to increase awareness of the role of the Office and to provide information on specific topics of relevance to each region.

Field days attended include Paskeville (September), the Riverland (September) and Lucindale (March). Staff spoke with many consumers and business people who visited the Offices' stand to enquire about the range of services provided. During 2002 -2003 attendance at regional and rural field days will continue.

The Office of Consumer and Business Affairs participated in **Law Week** in May 2002 to provide information to regional businesses. Law Week is organised by the Justice Network, a group comprising representatives from the Justice Portfolio and other government and community organisations, to enhance community awareness and understanding of the law. A series of 'hypotheticals' was developed for the Eyre Peninsula, Riverland and South East, with each hypothetical focussing on contemporary issues for the specific region. The panels comprised local representatives including a lawyer, rural counsellor, insurance advisor and a small business operator and representatives from the South Australian Farmers Federation and state and commonwealth agencies including Workplace Services, Environment Protection Agency, the Office of Consumer and Business Affairs, Australian Competition and Consumer Commission and Office of the Small Business Advocate. Simon Stretton, a barrister and former Chairman of the Fringe Festival, moderated the hypotheticals.

The Office has established a strong **media liaison program** to ensure that issues of public interest can be quickly and effectively reported. During the reporting period, regular segments on consumer issues were presented on eight radio stations, including two offering talk back sessions, when listeners were able to obtain immediate answers to their questions.

Press releases issued to metropolitan and country media during the reporting period focussed on product safety, credit traps and the return of goods, weights and measures, building investigations, indemnity insurance matters and scams. The Commissioner and senior members of staff also gave media interviews on a range of topics.

The consumer youth website **Before You Splash Your Cash** was expanded to include a new 'managing money' section containing information about budgeting, using credit wisely, electronic banking and avoiding scams and rip-offs. An interactive budget calculator, loan/credit calculator and investment calculator were included in the site to assist young people to assess their spending habits and initiate a budget or savings plan. The website will be supplemented in 2002/03 with an education site for middle school students, linking to the classroom. The site will address issues for 11-15 year olds on buying goods and services, mobile phones and tenancy matters. It will provide students with a range of interactive learning activities, and provide teachers with further learning tools. It will be linked to the South Australian Curriculum Standards and Accountability Framework.

The Office of Consumer and Business Affairs **website [www.ocba.sa.gov.au](http://www.ocba.sa.gov.au)** provided an additional means of promoting new campaigns and initiatives. The website has over 600 pages of information, 100 publications and 120 forms.

Developments and issues highlighted via the website during the reporting period included: 'Year of the Outback' commemorative birth certificates, a new on-line invoice payment system, building indemnity insurance information, changes to the **Retail and Commercial Leases Act 1995** incorporating the Casual Mall Licensing Code, baby names registered, product safety and banned goods, business name renewal system and scams.

A new **Co-operatives** section on the website includes advice and information about operating as a co-operative. All forms, rulebooks and information sheets are now available online.

The website averaged over 550 visits per day with the most frequently accessed sections being birth certificate application forms, 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 Black Book of Scams was the most popular on-line publication.

The Office of Consumer and Business Affairs maintains a number of **public registers** including Business Names, Incorporated Associations and Co-operatives and occupational licensees and registrants.

During the reporting period the Commissioner dealt with the ongoing claims on the **Agents Indemnity Fund** resulting from the fiduciary default of the registered conveyancer, GC Growden Pty Ltd. The number of claims increased during the reporting period and payments to date associated with the default exceed \$1 m.

The Commissioner for Consumer Affairs is responsible for the administration of the **Consumer Credit Code**, a national legislative scheme to provide protection for consumers seeking credit. The Office participates on the national Uniform Consumer Credit Code Management Committee, a body responsible for monitoring and reviewing the operation of the Code, assessing exemption applications and overseeing the publication of Credit Code educational material. Amendments to the Code in December 2001 saw 'pay-day' lenders, who previously had been able to charge unacceptably high rates of interest, brought within its coverage.

In order to increase South Australians' recognition and understanding of the role of the Office in relation to **Births, Deaths and Marriages**, the Office of Consumer and Business Affairs undertook a number of initiatives. Relevant material on the corporate website was reviewed and expanded, and a new Internet link to a national Births, Deaths and Marriages site was added to the state's site.

Certificate application forms are available in all South Australian post offices. The provision of two email addresses for registration and application matters has enabled customers to achieve a prompt response to inquiries.

Preparatory work was completed for an on-line certificate application service, to commence in 2002-03, to enable people to apply for birth, death and marriage certificates via the Internet. This initiative will significantly improve the availability of the certificate service to country South Australia.

The Registrar of Births Deaths and Marriages provided change of name and marriage statistics and details of birth trends to media representatives. This information was supported through radio interviews to discuss the findings.

There has also been continuing liaison with Registrars of country area Magistrates Courts who provide some birth, death and marriage services under delegation.

## **Enforcement**

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**Prosecutions and disciplinary actions** against persons acting in breach of legislation administered by the Office of Consumer and Business Affairs are detailed in Appendix Seven.

The Office of Consumer and Business Affairs devotes significant time and resources to providing consumers and business with information about their rights and obligations, to help them meet and comply with appropriate trading standards and exercise their proper entitlements. However, it is sometimes necessary to take strong enforcement action to address non-compliance.

## Objective Two: Service

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Continually improve the level of customer satisfaction, quality of service and overall efficiency of our business operations.

### Complaint Handling

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During the reporting period the **consumer affairs advisory service** assisted 117,581 customers who contacted the Office by telephone, counter and email. Customers are increasingly accessing information through the website and choosing to seek information via email. In many cases, the information provided prevented consumer complaints from escalating into major disputes with traders. (See Analysis of Complaints - Appendix One).

The standard of service given was comparable with world best practice for call centres with 98.2 per cent of incoming calls answered. The average caller waiting time was 16 seconds. 93 per cent of calls were answered within 60 seconds. The high service standards were independently verified through a number of customer surveys.

All consumer complaints are assessed to determine the most appropriate and effective method of resolution. Less serious complaints are handled quickly through a fast track process, which may involve negotiating with the trader to achieve a speedy resolution and avoid formal dispute processes. This approach has contributed towards the achievement of efficient resolution of many smaller complaints. More significant issues involving building disputes and buying motor vehicles are dealt with through a formal process which may require expert reports, on site conferences or a range of other measures. In the main these disputes were resolved by conciliation.

In 2001/2002 the Office managed 1,272 fast track matters and 2,251 formal disputes. Consumer redress was successfully obtained in the majority of disputes (54 per cent) and 55 per cent were finalised within 30 business days. The Office offers a free conciliation service, which provides consumers with an accessible alternative to court action.

Under the **Fuel Quality Standards Act 2000**, administered by the federal Department of Environment, the Office's trade measurement inspectors took fuel samples from forty-four retail distributors. Samples were sent to an independent laboratory to determine if fuel emission standards were being met.

The Office of Consumer and Business Affairs' **Standards Laboratory** at Thebarton ensures, through the provision of a range of traceable standards in mass, length, volume and area under the **National Measurement Act 1960**, that trade relying on weight or measure is conducted according to the law and that consumers receive fair weight or measure.

The **Residential Tenancies Tribunal** conducted over 900 hearings in 20 regional locations during 2001-2002, including hearings conducted by video-conference.

### Service Standards

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The **customer satisfaction measurement program** underpins the Office's commitment to quality customer service and customer satisfaction surveys continued during the year. In each, a random sample of customers is surveyed to determine service quality against the Office of Consumer and Business Affairs Customer Charter. Results of surveys in November 2001 indicated that 95 per cent of customers rated the service they had received as good, very good or excellent. This represented a six per cent increase in satisfaction from the 1998/1999 surveys.

A **mystery shopping program** commenced in May 2002. This program involves researchers posing as customers to assess the level of customer service provided by the Office. The researchers are fully briefed about the Office's services and typical customer interactions within each branch and learn the script of a fictitious issue. They then contact the relevant branch being surveyed via phone, email or in person to assess a particular service. The service received is then rated according to the accuracy and consistency of advice given. The overall customer service experience is also rated. The mystery shopping results provide useful qualitative data to complement the quantitative data gathered by the customer satisfaction measurement program, and are used for staff training purposes.

The Office of Consumer and Business Affairs has maintained its involvement in the **Government Small Business Network**, which comprises representatives from State and Federal government agencies. The key objective of the Network is to foster communication and information sharing across agencies to understand contemporary issues facing small business, thus enabling the Government to provide better services and information to South Australian businesses.

As a result of the Office's involvement with the Network, a number of joint projects were developed which enabled all agencies to participate at very low cost. These included:

- a joint Government stand at the Vietnamese New Year Festival (January)
- a free listing in the Government section of the White Pages directory under the heading of "Small Business"
- providing a speaker from Consumer and Business Affairs at the "BizStart Seminars". These are run by the Australian Taxation Office to provide information on business name registration, occupational licensing and fair trading legislation to people starting a new business.

A new streamlined periodic return system for occupational licences was fully implemented in July 2001. This system has vastly reduced the paperwork that must be submitted by licensees to maintain the currency of their occupational licences. It has also allowed for the reallocation of staff to perform compliance auditing duties to maintain an appropriate level of consumer protection.

The registration of **business names** continued to be managed promptly by the Office. Providing a proposed new business name is available for registration, the application has been completed in full and is accompanied by the correct fees, a new business name can be registered and a certificate issued at the registry front counter, usually within 10 minutes.

The majority of applications are made by mail and generally are registered within five working days of receipt. Longer processing times resulted from applicants sending in incomplete registration details.

During the reporting period, the Office has continued to implement improved electronic processes and systems to improve the quality and scope of customer service.

Forms used to lodge and refund bonds and notify other changes involving residential premises were redesigned and are now available on the Internet. Electronic funds transfer for security bond refunds grew in popularity with many landlords and tenants opting for this quick refund option.

The major **Births Backcapture Project**, which commenced in 1997, was completed on time and under budget with approximately one million records added to the computerised registration system. These include full birth records from 1944 to 1978, index records from 1924 to 1943, stillbirths, deed polls, changes of name and adoption indexes.

*As a direct result of the backcapture of older records, considerable improvements were achieved in service times with system searches being more comprehensive than manual searches and system-generated printing more legible than printing from microfilm images.*

*The Office of Consumer and Business Affairs, through the Registrar of Births, Deaths And Marriages supports **Link-Up**, the Aboriginal tracing service.*

*The **birth registration statement** issued to parents of newborn children was updated to encourage compliance with birth registration requirements and promote certificate sales. For 2002-03 it will include more information about regional office locations and details in eleven languages.*

*The new **Outback Commemorative Birth Certificates**, marking the national Year of the Outback, were designed so they can be retained in the birth certificate range beyond 2002.*

*The appearance of the **Marriage Room**, where over 500 weddings are solemnised each year, was improved and the public counter area was upgraded.*

*The Office of Consumer and Business Affairs is committed to identifying and removing all barriers within the agency to persons with disabilities to allow for the equitable participation of all persons in the full range of service provision and employment opportunities available and has formed a **Disability Action Plan Working Group** to accelerate this process.*

## Objective Three: Technology

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### Achieve optimum service delivery through the use of appropriate technology.

Consumers and traders seeking advice increasingly access the website. The Office received a growing number of emails, with most related to disputes between consumers and traders, marketing methods, including pyramid schemes, gambling software and overseas scams.

The Office continued to upgrade and expand the **website**, including adding more links to other useful websites. During 2002 -2003 the website will be redeveloped to incorporate further e-commerce initiatives and refine information layout and accessibility.

A number of **e-commerce** initiatives to streamline service delivery have already been implemented during this year, including:

- automated online Internet renewal of business names
- automated Interactive Voice Recognition (IVR) which enables customers to access the Internet system for the renewal of business names using their telephone to directly interact with the Consumer and Business Affairs computer system
- payments of invoices on line
- Business Names Compliance Project that enables SA Business Names to compare entries in the current Yellow Pages directory with listings on the business names register.

The reporting period saw **upgrades to computer systems** and other office technology in regional Consumer and Business Affairs Offices, resulting in more accurate and consistent record keeping and a higher level of service to rural consumers.

Tenders have been sought for an electronic solution to facilitate the management of cases submitted by landlords, agents and tenants for resolution by the Residential Tenancies Tribunal and requests for assistance made to the **tenancy advice** section. The new system will automate many manual activities.

All security bond forms for residential premises are now scanned into a database to facilitate speedier refunds.

A new fit-out of the **Residential Tenancies Tribunal** accommodation resulted in four rooms being equipped with computers to enable, in appropriate cases, the completion of orders of the Tribunal immediately after the hearing has concluded. Two other rooms have been equipped with digital audio recording equipment replacing the previous practice of taking longhand notes of proceedings.

The Office of Consumer and Business Affairs has continued to explore a range of strategies to provide improved services to customers and to fulfil its education responsibilities. The increasing emphasis on electronic access to information has provided impetus for a new initiative in on-line education.

The Office began the development of an **on-line consumer education program for students** in the middle years of schooling, in response to the increasing involvement of youth in the consumer market and the need for them to understand their rights and responsibilities.

This site, Spendwell, to be released in the next financial year, will provide a range of interactive opportunities for young people. The program will be the first to offer this level of on-line interactivity for youth on websites administered by Australian government consumer agencies.

The Births Deaths and Marriages Registration Office releases various **data collections** and information on births, deaths and marriages to government agencies such as the Australian Bureau of Statistics, the Australian Institute of Health and Welfare and many health units. A major development to the current computer system has enabled a more efficient and timely despatch service through the automatic generation of tailored data packages to approximately fifty agencies each month.

Preparatory work was completed for **on-line certificate application** and a **Certificate Validation Service** that will enable both government and business agencies such as Centrelink, Registration and Licensing, Passports and financial institutions to check the validity of those documents they routinely require for identity and status checks.

Software for the **Occupational Licensing System (OLS)** has been upgraded over the past year and will continue in the forthcoming year to ensure that the latest tools are available to support the improvements being implemented. The user interface of OLS also will be redeveloped to tie in all the new functions to enable seamless access, with improved screen navigation contributing to faster processing.

Currently, public register details of licensees and registrants can be supplied in the following ways: verbally, a printed version of a licensee's details, or on a computer disc (at a nominal cost) containing details of all licensees in a particular jurisdiction.

A **searchable licence database** is being developed for the Internet to enable consumers to verify that a person they intend to deal with is appropriately licensed. This will assist consumers to find suitable tradespeople by allowing searches by licence type and postcode and assist licensees to add a phone number, email address and/or Internet address to their register details. In turn, this will assist licensees to obtain business and will further support the Office's work to reduce unlicensed trading by directing consumers to licensed tradespeople. An additional feature of the public register on the Internet that is not currently available, will allow licensees to add a phone number, email address and/or Internet address to their register details.

Investigations are under way to establish arrangements which will permit licensees to lodge their **periodic returns on-line**. This is expected to increase the convenience for licensees and to reduce the turn around processing time.

About 50 per cent of **occupational licence** applicants experience difficulty in completing application forms. To address this, an **assisted application process** is being developed. This will allow an applicant to apply for a licence/registration by answering a series of questions orally, either over the telephone or in person; checking and signing the summary of information produced and supplying any specified attachments, such as copies of formal qualifications. The Office expects the system to begin operation during the 2002/2003 financial year. This will substantially reduce the number of incorrect applications received and therefore reduce turn around time and improve customer service.

The Office plans to investigate electronically linking births, deaths and marriage registries nationally, to enable faster production of certificates at any registry, regardless of where in Australia the event is registered.

## Objective Four: People

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### To value staff and encourage them to reach their full potential

Staff within the Office of Consumer and Business Affairs are encouraged to undertake additional studies, particularly where relevant to the strategic goals of the Office and their branch.

Regular programs are facilitated both internally and externally to provide staff at all levels with up-to-date information and refresher opportunities relevant to the services they provide. A structured training program for new staff, extended to regular training sessions by senior staff at section meetings has been undertaken in branches.

Formal study is supported through study leave provisions and financial support is offered where relevant subjects or modules are completed successfully.

Where relevant to their work, staff have attended seminars and training courses in Proof of Identity/Fraud Minimisation to minimise identity-based fraud. In support of Link-Up, the Aboriginal tracing service, staff have attended training sessions on indigenous issues.

Individual training for relevant staff was conducted on dealing with "armed hold ups" and dealing effectively with difficult customers, investigative methods, public speaking and electronic investigations.

Office staff involved in a high level of driving as part of their role and in maintaining active links with regional offices and remote areas of South Australia, participated in a 'drive to live' course to provide for greater safety on the roads.

On-going internal training was provided to enable staff to utilise the Office's Intranet and links to numerous other websites associated with fair trading issues, associated legislation and national and international counterparts.

All staff are required to participate in the **Employee Development and Review Program** that provides a two-way vehicle of communication between supervisor and employee. This process helps to foster open and honest communication, provide an agreed pathway towards personal and professional development and ensure that the strategic goals of the organisation are met.

The **Youth Forum** was established to discuss issues of concern to youth, related to the work environment of the Office of Consumer and Business Affairs and to develop proposals to benefit staff. The Forum also provides a youth perspective on proposals developed by senior managers and an avenue for input to agency decision-making. The group consists of twelve staff members, aged 30 and under.

The **Joint Consultative Committee (JCC)** was established as a forum to facilitate participation by staff of the Office of Consumer and Business Affairs in improvement, innovation, and information sharing related to the working environment in the Office. Through participation in, and representation on the JCC, staff have the ability to provide input to decision-making by the Senior Management Group.

A six session training course 'Excellence in Public Speaking/Mechanics of the Media' was held for senior staff whose positions are likely to involve these matters, and further training in the same field is proposed for 2002/03.

Corporate Affairs and Compliance completed its restructure and the Education and Information Services Branch commenced its restructure as part of a strategy to improve customer service, operations and education service delivery. In support of these changes staff development and training included courses in change management, team building, business letter writing, communication, time management and customer service.

The Office of Consumer and Business Affairs **intranet site** has become a 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 shows staff profiles, organisation charts, branch policies, current projects and achievements and there is a 'Latest News' section with news about topical issues of general interest. The site also has information for new staff about the role and function of the Office, the Attorney General's Department and the Justice Portfolio as well as numerous links to other relevant internal and external organisations.

## Objective Five: Policy

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**Provide leadership in policy development.**

### Policy Development

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Participation in **national committees and working parties** provides an essential means of contributing to national developments in consumer and business related legislation and policy.

The Commissioner chaired the Standing Committee of Officials of Consumer Affairs (SCOCA) and Office representatives chaired the Fair Trading Officers Advisory Committee; Consumer Products Advisory Committee, the Trade Measurement Advisory Committee, and participated on a number of working parties including Cross Jurisdictional Protocols and Processes and Overseas Scams.

The Office participated on a national working party to review the Trade Measurement Act 1993. Amendments resulting in greater administration efficiencies Australia-wide came into operation in South Australia in November 2001.

Through attendance at the Annual Conference of Registrars of Births, Deaths and Marriages and its working group, BDMOZ, the Registrar and other staff contributed to the development and review of policy and legislation affecting civil registration both in South Australia and nationally. The Registrar also sponsored a cross-agency/industry group to develop practice standards and guidelines concerning the disposal of human remains.

During the reporting period, the Office of Consumer and Business Affairs through the Tenancies Branch, and in association with the Flinders University Law School, hosted the fourth Australasian Conference of Tenancy Tribunals and associated bodies in Adelaide. Delegates attended from all states and territories and New Zealand.

The Office was a significant contributor to the review of the Little Black Book of Scams which is available nationally, to alert consumers to the vast range of scams from within Australia and those coming from overseas. Work on new measures to combat scams and their impact on consumers is on-going under SCOCA's direction.

The Principal Policy Officer is the agency's accredited **Freedom of Information (FOI) officer** who is responsible for the receipt and processing of all FOI applications and enquiries received by this Office. Statistics on new applications received during the reporting period are published in Appendix Nine of this report.

**Briefing papers** to the Minister for Consumer Affairs are prepared for each Parliamentary session and for the Parliamentary Estimates Committee, meetings of the Standing Committee of Officials of Consumer Affairs and the Ministerial Council on Consumer Affairs, and on issues as they arise.

The Office provided policy input on the review of the Commonwealth's **Marriage Act 1961**, and on draft state legislation such as the **Coroners Bill**.

In order to be granted a licence under much of the legislation administered by the Office of Consumer and Business Affairs, a person must possess appropriate qualifications and experience that meets the objectives of licensing Acts. Throughout Australia, industry has developed, or is in the process of developing,

**National Training Packages**. These are designed to replace or supplement current training and qualifications.

The Office is committed to the recognition of competency based training and assessment under the National Training Framework, and is in the process of adopting criteria from National Training Packages as they become available for the various regulated occupations. As part of this process, the Office is currently working with industry at both state and national levels in order to ensure that National Training Packages incorporate competencies relevant to current and future licensing requirements in South Australia.

The Office will continue to consult with key stakeholders in order to determine the appropriate minimum competency levels necessary to achieve consumer protection objectives of the occupational licensing legislation it administers.

## Legislative Review

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During the reporting period, the final reviews of the remaining legislation nominated under the **1995 State and Territory Governments Competition Principles Agreement** began. The reviews, initiated by the Commonwealth, are intended to remove unnecessary barriers to competition in State and Territory legislation.

Of the fifteen pieces of legislation administered by the Office of Consumer and Business Affairs, which were nominated for review, twelve reviews were conducted at the State level. A further three were reviewed nationally. Final reports to the National Competition Council on the two remaining Acts, the **Plumbers, Gas Fitters and Electricians Act 1995** and the **Security and Investigations Agents Act 1995**, are expected to be completed early in 2003.

The **Statutes Amendment (Consumer Affairs) Act 2001** came into effect on 1 November 2001 following a review of the administrative provisions in the licensing legislation which identified several anomalies and inconsistencies. The Office has reviewed the competencies in relation to the **Hairdressers Act 1988** and completed consultation with industry. The Office reviewed new competencies under the national framework for land agents and land sales representatives.

## Appendix One

### Analysis of Complaints Investigated by Product or Service 1 July 2001 to 30 June 2002

Category	2001/02		2000/01	
	Sub-total	Total	Sub-total	Total
<b>I General Consumer Products</b>		<b>508</b>		<b>638</b>
<i>Air conditioners</i>	28		60	
<i>Literature, Stationery, Tapes &amp; Records</i>	17		26	
<i>Clothes</i>	26		33	
<i>Electrical goods - other</i>	26		38	
<i>Food products</i>	4		12	
<i>Footwear</i>	13		11	
<i>Furnishings</i>	69		78	
<i>Furniture - lounge suites</i>	46		63	
<i>Furniture - other</i>	70		93	
<i>Haberdashery, clothing materials &amp; accessories</i>	8		8	
<i>Heaters &amp; hot water systems</i>	15		15	
<i>Household small appliances</i>	8		7	
<i>Jewellery, clocks and watches</i>	16		18	
<i>Pets &amp; pet products</i>	4		11	
<i>Photographic equipment &amp; supplies</i>	7		8	
<i>Health &amp; cleaning products</i>	16		20	
<i>Sports &amp; camping equipment</i>	7		15	
<i>Televisions &amp; video cassette recorders</i>	28		34	
<i>Whitegoods - other</i>	12		15	
<i>Whitegoods - refrigerators</i>	17		25	
<i>Whitegoods - washing machines</i>	12		13	
<i>Other general goods</i>	59		35	
<b>2 Motor vehicles and Transport Products</b>		<b>326</b>		<b>352</b>
<i>Purchase of new motor vehicles</i>	14		18	
<i>Purchase of new &amp; used motor cycles</i>	8		4	
<i>Purchase of used motor vehicles</i>	135		140	
<i>Consignment sales</i>	3		2	
<i>Automotive repair &amp; servicing</i>	87		104	
<i>Spare parts &amp; accessories</i>	46		52	
<i>Other transport vehicles &amp; equipment</i>	33		32	
<b>3 Residential Building Construction</b>		<b>596</b>		<b>873</b>
<i>Air conditioning, heating installation</i>	13		26	
<i>Building &amp; decorating products</i>	42		75	
<i>Carpentry, joinery</i>	15		22	
<i>Pest control services</i>	11		14	
<i>Concrete work, foundations, brickwork, paving</i>	48		53	
<i>Electrical</i>	12		8	
<i>Fences, walls, gates</i>	29		35	
<i>Garages, carports, sheds, water tanks</i>	41		42	
<i>Gardening &amp; outdoor products</i>	30		33	
<i>Home Construction, extensions, renovations</i>	164		335	
<i>Painting, decorating, plastering</i>	14		15	

Category	2001/02		2000/01	
	Sub-total	Total	Sub-total	Total
<i>Plumbing - water, gas, drainage</i>		17		16
<i>Roofing, insulation, roof treatments</i>		40		50
<i>Swimming pools, spas, hot tubs</i>		18		20
<i>Tiling</i>		15		24
<i>Other</i>		87		105
<b>4 Insurance</b>		<b>53</b>		<b>18</b>
<b>5 Credit, finance, investment</b>		<b>35</b>		<b>46</b>
<i>Credit &amp; finance</i>		33		41
<i>Investment</i>		2		5
<b>6 Communication &amp; Information</b>		<b>152</b>		<b>241</b>
<i>Telephone</i>		52		63
<i>Internet</i>		7		12
<i>Postal, Television &amp; other services</i>		10		7
<i>Computers and software</i>		83		159
<b>7 Marketing Methods</b>		<b>9</b>		<b>15</b>
<i>Mail Order</i>		2		6
<i>Discount &amp; gift voucher schemes</i>		4		4
<i>Other</i>		3		5
<b>8 Real estate, accommodation</b>		24	<b>24</b>	41
<b>9 General Services</b>		<b>244</b>		<b>250</b>
<i>Dry Cleaning</i>		0		11
<i>Education &amp; training</i>		19		15
<i>Employment</i>		0		1
<i>Furniture removals</i>		33		36
<i>Health services</i>		10		6
<i>Household services</i>		45		29
<i>Transport services</i>		10		10
<i>Personal services</i>		74		62
<i>Professional &amp; technical services</i>		14		32
<i>Utilities &amp; fuel supply</i>		1		16
<i>Sport, culture &amp; recreation</i>		8		15
<i>Other services</i>		30		17
<b>10 Travel, Hospitality and Tourism</b>		<b>56</b>		<b>88</b>
<i>Travel Agents</i>		8		14
<i>Tours</i>		13		22
<i>Hotels, Motels, Hostels</i>		12		13
<i>Other</i>		23		39
<b>11 Trade Standards</b>		<b>248</b>		<b>353</b>
<i>Product safety &amp; hazardous products</i>		61		108
<i>Trade standards &amp; trade measurements</i>		187		245
<b>Total for period</b>		<b>2251</b>		<b>2915</b>

## Appendix Two

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### Analysis of Complaints by Practice

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1 July 2001 to 30 June 2002

Practice	2001/02	2000/01
1 Advertising	35	44
2 Representations	97	132
3 Product Labelling	7	1
4 Sale Methods	23	42
5 Price	101	164
6 Quality	961	1181
7 Credit	15	24
8 Contracts	424	635
9 Warranties	293	314
10 Miscellaneous Conduct	47	25
11 Trade Measurements & Trade Standards	187	245
12 Product Safety & Hazardous Products	61	108
<b>Total</b>	<b>2251</b>	<b>2915</b>

## Appendix Three

### Business and Occupational Services

#### Licences and Registrations Issued 2001/2002

- BOS administered more than 58,800 licences/registrations under seven separate pieces of legislation.
- Staff handled around 1,100 telephone inquiries weekly.
- The average answer time for calls was around 12 seconds.
- Seven thousand applications were received, with most being processed within one month.
- Thirty nine thousand periodic returns were processed, most being processed within 10 calendar days.

#### Builders

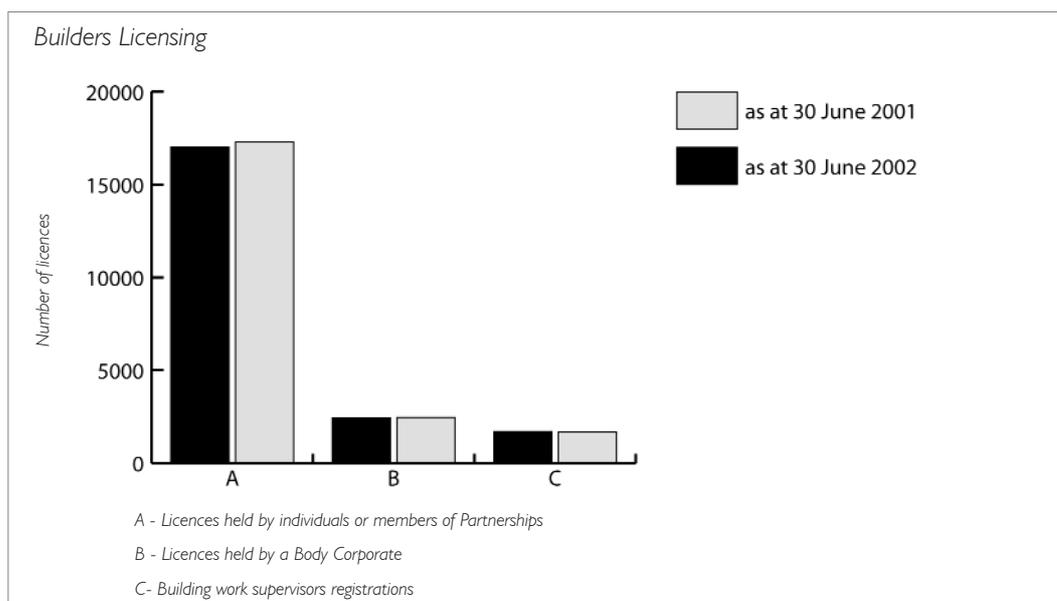
There were 21,144 contractors licences and sole supervisors registrations issued under the Building Work Contractors Act 1995 as at 30 June 2002. Of these, 2,445 licences were held by bodies corporate (usually companies), 17,005 licences were held by natural persons (individuals or members of partnerships) and 1,694 people held building work supervisors registrations only. Compared with the previous year, there was a 1.4% decrease in licence/registration numbers held. Licences and registrations within each category were:

#### Licences

Any building work	1,757
Light commercial/industrial and/or residential building work	4,535
Specified building work	13,158

#### Registrations

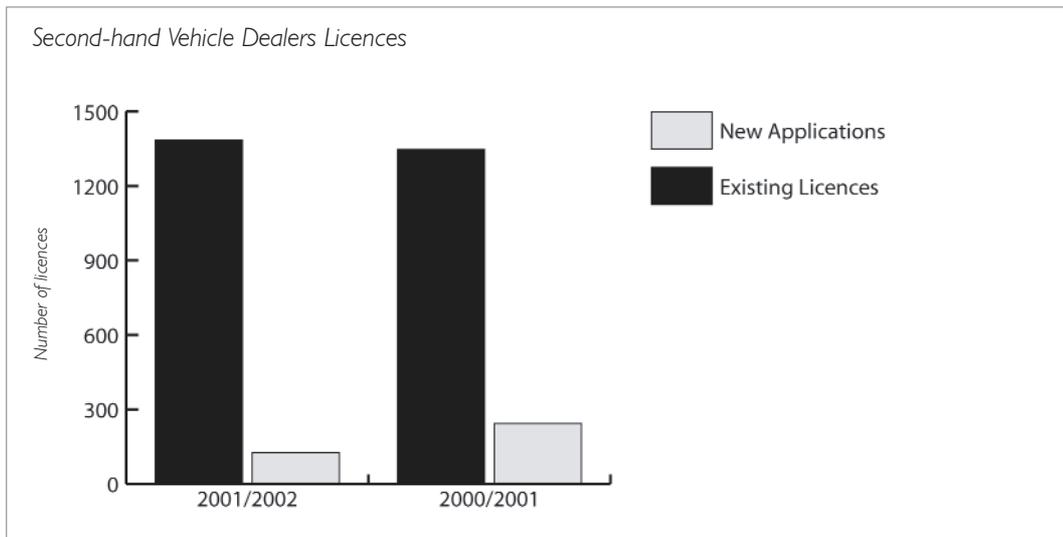
Any building work	1,705
Light commercial/industrial and residential building work	3,522
Specified building work	10,966



New applications for contractors licences and supervisors registrations were 1,426 compared to 1,190 for the previous year. There were 347 applications from persons applying to change conditions on their licences and registrations compared to 371 for the previous year.

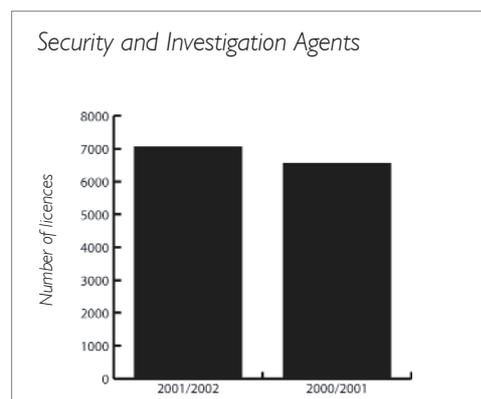
### Second-hand Vehicle Dealers

Licences issued under the Second-hand Vehicle Dealers Act 1995 were 1,386 at 30 June 2002 compared to 1,347 for the previous year, an increase of 2.9%. Of these, 419 second-hand vehicle dealers licences and 29 second-hand motorcycle dealers licences were held by bodies corporate. A further 880 second-hand vehicle dealers licences and 58 second-hand motorcycle dealers licences were held by natural persons. There were 124 applications received for new second-hand vehicle dealers licences compared with 242 for the previous year, a decrease of 48.8%. There were nine applications for second-hand motorcycle dealers licences, compared with five for the previous year. There were 111 applications for registration of trading premises, compared with 91 for the previous year.



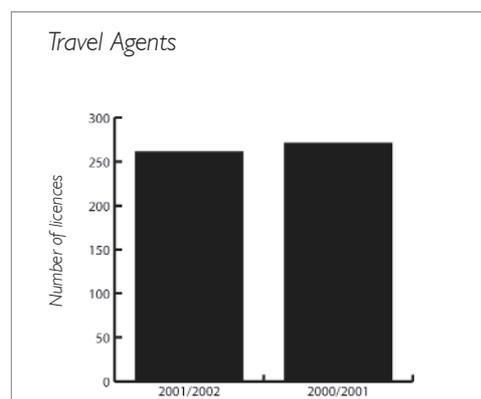
### Security and Investigation Agents

As at 30 June 2002, there were 7,056 licences issued under the Security and Investigation Agents Act 1995. Bodies corporate held 250 licences and natural persons held 6,806. Total licences for the previous year were 6,553, an increase of 7.7%. 1,222 new licence applications were received, an increase of 4.7% from the previous year's 1,167 applications. There were 133 applications received from people seeking to change the conditions on their licences, compared with 140 applications for the previous year.



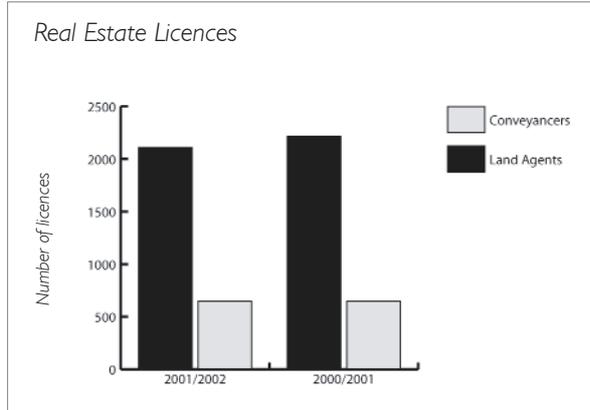
### Travel Agents

Travel agents are licensed under the Travel Agents Act 1986. As at 30 June 2002, there were 160 bodies corporate and 101 natural persons licensed, a slight decrease from the previous year's total of 271 licences. 26 new licence applications were received, a 73.3% increase from the previous year's 15 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 2002, there were 2,183 land agents and 648 conveyancers registered. Bodies corporate held 603 land agents and 32 conveyancers registrations while natural persons held 1,580 land agents and 616 conveyancers registrations. This compares with 2,213 land agents and 648 conveyancers for the previous year.



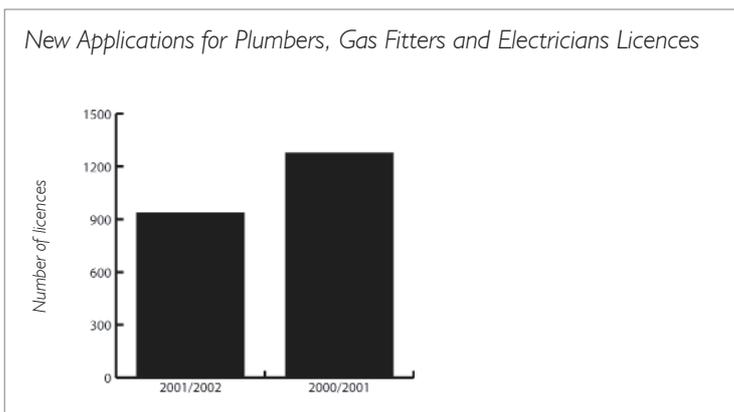
During the year, 97 applications for land agents registration and 34 applications for conveyancers registration were received, compared to the previous year when 119 applications for land agents registration and 31 applications for conveyancers registration were received. This represented an 18.5% decrease and 9.7% increase 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 26,153 licences and registrations as at 30 June 2002, compared with 26,026 for the previous year. As at 30 June 2002:

Plumbing	Contractors	1137
	Workers	3600
Gas Fitting	Contractors	694
	Workers	2452
Electrical	Contractors	4081
	Workers	14189

During the year there was a total of 936 applications for new licences and registrations, which was 26.7% lower than the 1,276 received during the previous year. A total of 264 applications for changes to conditions were received, a decrease of 2.2% compared to the 270 applications received during the previous year.



### Photographic Images Captured for Occupational Licences

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The following numbers of digital photographic images were captured at the Office of Consumer and Business Affairs:

Business and Occupational Services	3338
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The following numbers of digital photographic images were captured in Customer Service Centres (Transport SA):

Adelaide	130
Berri	118
Christies Beach	338
Elizabeth	368
Kadina	51
Marion	400
Mitcham	165
Modbury	349
Mount Gambier	209
Murray Bridge	73
Port Adelaide	340
Port Augusta	116
Port Lincoln	76
Port Pirie	81
Prospect	163
Regency Park	140
Remote area (scanned from photo)	428
Tranmere	200
Whyalla	204
<b>Total</b>	<b>7287</b>

## Appendix Four

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### Births Deaths and Marriages Registration Office

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Registrations	2001/02	2000/01
Births	17516	17563
- still-births (1)	119	80
Deaths	11784	11988
Marriages	7451	7779
Changes of name	1487	1410
Adoptions - open	0	0
- closed	47	49
Legitimations	298	412
Reassignments of sex	2	2

Documents issued	2001/02	2000/01
Certificates (2)	71353	66017
Commemorative birth certificate package	12995	12611
Cremation permits	6226	6260

Marriages at the Registry	2001/02	2000/01
Notices given	744	685
Marriages solemnised	509	535
Registry marriages as percentage of all SA marriage registrations	6.8	6.9

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

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To the end of June 2001, compared with those for the previous financial year:

- number of births registered is down 0.3% (the number of still-births has increased from 80 to 119)
- number of deaths registered is down 1.7%;
- number of cremation permits issued is down 0.5%;
- number of changes of name processed is up 5.5%;
- number of legitimations processed is down 27.7%;
- number of standard certificates sold (births, deaths and marriages) is up 8.1%
- number of Commemorative Birth Certificate packages sold is up 3.0%.
- number of marriages registered throughout South Australia is down 4.2%;
- number of marriages solemnised at the Registry is down 4.9%;
- number of Notices (of intention to marry) lodged at the Registry is up 8.6%;
- Registry marriages as a percentage of all SA marriage registrations are down from 6.9% to 6.8%.

## Performance against commitments made in Customer Service Charter

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### Registrations

	<b>Commitment</b>	<b>Achievement</b>
<i>Births</i>	<i>5 working days</i>	<i>2-3 working days</i>
<i>Deaths</i>	<i>5 working days</i>	<i>2-3 working days</i>
<i>Marriages</i>	<i>5 working days</i>	<i>3-5 working days</i>

### Applications

	<b>Commitment</b>	<b>Achievement</b>
<i>Standard Counter</i>	<i>3 working days</i>	<i>1-2 working days</i>
<i>Priority Mail</i>	<i>Same day</i>	<i>Same day</i>
<i>Standard Mail</i>	<i>3 working days</i>	<i>1-2 working days</i>
<i>Priority Counter</i>	<i>Same day</i>	<i>30 minutes</i>

## Appendix Five

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### New Publications

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- *Good Business Guide 3rd edition: informs SA business people of their rights and obligations and provides information on State and Commonwealth fair trading legislation.*
- *Co-operatives Kit: contains forms and information sheets covering the operation, registration and alteration of a co-operative.*
- *Little Black Book of Scams 2nd edition: information for consumers about scams.*
- *A range of Product Safety brochures covering:*
  - *General Product Safety*
  - *Banned and Dangerous Goods*
  - *Pedal Bicycles, Helmets and Elastic Luggage Straps*
  - *Reduced Fire Hazard for Children's Nightwear, Limited Daywear and Paper Patterns*
  - *Sunglasses and Fashion Spectacles*
  - *Bean Bags, Furniture and Children's Folding Chairs*
  - *Care Labelling for Clothing and Textile Products, Footwear Labelling and Textile Products Fibre Content Labelling*
  - *Cosmetics and Toiletries Ingredient Labelling*
  - *Cots for Household Use*
  - *Disposable Cigarette Lighters*
  - *Flotation Toys and Swimming Aids*
  - *Opals*
  - *Toys for Children Under 3 Years of Age*
  - *Portable Ramps, Trolley Jacks, Support Stands and Vehicle Jacks*
- *Business and Occupational Services Licensing brochures covering:*
  - *Building Work Contractors*
  - *Builders and Supervisors*
  - *Conveyancers*
  - *Land Agents*
  - *Mutual Recognition*
  - *Plumbers, Gas Fitters and Electricians*
  - *Second-hand Vehicle Dealers*
  - *Security and Investigation Agents*
- *Lay-by Sales: information brochures for consumers and business*
- *Door-to-door trading practices: information brochure for business*
- *Your Refund Rights sign 2nd edition: outlines consumer and business rights with regards to purchasing a product or service*
- *Casual Mall Licensing Code: information brochure about the Code of Practice*
- *Birth Registration Statement: revised edition*
- *Two Outback Commemorative Birth Certificates and supporting promotional brochure*
- *Consumer Basics: information brochure translated into two community languages*

## Promotional Material and Publications

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*Customer Service Charter*  
*Freedom of Information*

### **Business**

*Customer Service Checklists*  
*Licences Tradesperson Bumper Sticker*  
*Associations Information Kit*  
*Dealing with Suspected Breaches*

### **Compliance**

*Crowd Controllers*

### **Consumer**

*Safe Toys and Kids Transfer*  
*On-line Shopping and E-commerce*  
*Buying a Computer*  
*Building a Home*  
*Buying a Home*  
*Buying a Mobile Phone*  
*Buying a Used Vehicle*  
*Computer Warranties*  
*Consumer Complaints*  
*Consumers and Business (C&B)*  
*E-Commerce*  
*Getting on the Internet*  
*Going Guarantor*  
*Heating and Cooling Systems*  
*Introduction Agencies*  
*Lay-by Sales*  
*One Step Ahead kit*  
*Pre-paid Funerals*  
*Pyramid Selling*  
*Timely Advice*

### **Occupational Licensing**

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

### **Product Safety**

*Keeping Baby Safe*  
*Safe Toys for Kids*

### **Trade Measurement**

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

### **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*

## Appendix Six

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### Corporate Affairs Commission

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

This appendix to the Commissioner for Consumer Affairs annual 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 and 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 if there has been 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.

### Public Registers

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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) at the Office of Consumer and Business Affairs, Corporate Affairs and Compliance Branch, Ground Floor, Chesser House, 91-97 Grenfell Street, Adelaide.

### Associations Incorporation Act 1985

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At 30 June 2002, there were 16,974 incorporated associations on the register (16,573 at 30 June 2001). The number incorporated during the year was 470 (460 during the 2000/2001 financial year). The total number de-registered and wound up was 69 (84 during the 2000/2001 financial year).

There were 2,261 other documents lodged including 695 periodic returns by prescribed associations (for 2000/2001, 1,860 and 689 respectively). In addition, 942 searches were made of the public register (995 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):

<b>Provision</b>	<b>Description</b>
Section 30	approval to take part in management
Section 35	approval of auditor
Section 38	exemption from accounts and audit requirements
Section 39	extension of time in which to hold annual general meeting
Section 42	notice for transfer of undertaking of an association to a company
Section 43A	approval of application for deregistration
Section 49A	extension of time to hold AGM
Section 53	approval of invitation in relation to deposit taking

### **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 2002 there were 97,237 registered business names.

#### **Business names transactions**

	<b>2002/2001</b>	<b>2000/2001</b>	<b>1999/2000</b>
New registrations	14,084	14,461	17,034
Renewals	17,463	16,360	18,924
Changes	7,615	6,826	8,691
Cessations	1,776	1,441	3,006
Transactions for year	40,938	39,088	47,655
Names on Register	97,237	97,031	96,689

### **Co-operatives Act 1997**

#### **Register of co-operatives**

Number at 01/7/01 (including one foreign)	52
Incorporations	2
Foreign registrations	0
De-registrations	1
Number at 30/6/02	53

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):

<b>Provision</b>	<b>Description</b>
Section 107	Approval of proposed alteration of rules
Section 110	Registration of alteration of rules
Section 195	Approval of disclosure statement in relation to transfer of incorporation
Section 199	Extension of time to hold annual general meeting
Section 234	Exemption from accounts and audit requirements
Section 312	Exemption from holding special postal ballot for voluntary winding up
Section 368	Registration of foreign co-operative
Section 421	Extension of time to alter rules to comply with the Act
Section 451	Exemption from manner of giving notice to members
Regulation 19	Registration of disclosure statement in relation to deposits
Section 329	Consent to resignation of auditor

### Companies and Co-operatives Liquidation Accounts

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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.

<b>Companies Liquidation Account</b>		<b>2001/02 \$</b>
	Balance at 1 July 2001	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 2002	18,548.40

<b>Co-operatives Liquidation Account</b>		<b>2001/02 \$</b>
	Balance at 1 July 2001	65,392.85
Add	Amounts received during the year pursuant to section 311 of the Co-operatives Act 1997	Nil
Less	Amounts paid to claimants in accordance with section 311	400.00
	Payments to Consolidation Account in accordance with section 311	Nil
	Balance at 30 June 2002	64,992.85

### Partnerships Act 1891 - Part 3 - Limited Partnerships

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Part 3 of the Partnership Act 1891 provides for the registration of limited partnerships. Two limited partnerships are registered.

### Starr-Bowkett Societies Act, 1975

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The last society was de-registered during 2000/2001 and the Act is expected to be repealed next financial year.

### Trustee Companies Act 1988

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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

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

### Pamphlets and Circulars

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Free pamphlets in printed format on the procedures for registration of business names, the operation of the Associations Incorporation Act 1985 and the Co-operatives Act 1997 are available from OCBA, Ground Floor Chesser House 91-97 Grenfell Street Adelaide or from the OCBA Internet website: [www.ocba.sa.gov.au](http://www.ocba.sa.gov.au).

## Appendix Seven

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### Warnings, Assurances, Investigations and Court Actions

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#### Compliance and enforcement

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During the year under review, Corporate Affairs and Compliance Branch:

- issued a total of 905 written warnings to traders for alleged breaches under the acts administered by CACB. Of these warnings:
  - 14 led to surrendered licences;
  - 17 were pre-emptive warnings leading to disciplinary action where the licence was subsequently cancelled;
  - 14 licences were surrendered in light of the warning letter;
  - 9 licences were suspended after a disciplinary action;
  - 61 unlicensed traders are now licensed; and
  - 436 new business names were registered.
  
- obtained 52 assurances under the Fair Trading Act 1987 relating to 75 breaches and 7 undertakings under the following Acts and their associated Regulations which are related to the Fair Trading Act:

	Breaches	Undertakings
Building Work Contractors	31	
Conveyancers	1	1
Fair Trading	4	
Land Agents	3	1
Plumbers Gas Fitters Electricians (Electricians)	12	
Plumbers Gas Fitters Electricians (Gas Fitters)	4	
Plumbers Gas Fitters Electricians (Plumbers)	3	
Second-hand Vehicle Dealers	7	
Security and Investigation Agents	6	5
Travel Agents	3	
Trade Measurement	1	
<b>Total</b>	<b>75</b>	<b>7</b>

## Assurances

Assurance number	Trader	Date of Assurance	Related Act	Section	Undertaking
567	GUINAN, Phillip Martin	5-Jul-2001	Building Work Contractors Act 1995	6(1)(a)	Refrain from carrying on business as a building work contractor whilst not holding the appropriate building work contractors licence.
568	VELOX VENTURES PTY LTD	5-Jul-2001	Plumbers, Gas Fitters and Electricians Act 1995	6(1)(a) 6(1)(b)	Refrain from carrying on business as an plumbing work contractor without a prescribed licence. Refrain from holding himself out as being lawfully entitled to undertake plumbing work.
569	DAWS, Peter trading as Fiona and Peter Horticultural Services	2-Aug-2001	Building Work Contractors Act 1995	6(1)(a) 6(1)(b)	Refrain from carrying on business as a building work contractor whilst not holding the appropriate building work contractors licence. Refrain from holding out as being entitled to carry on business as a building work contractor without a prescribed licence.
570	DAWS, Fiona trading as Fiona and Peter Horticultural Services	2-Aug-2001	Building Work Contractors Act 1995	6(1)(a) 6(1)(b)	Refrain from carrying on business as a building work contractor whilst not holding the appropriate building work contractors licence Refrain from holding out as being entitled to carry on business as a building work contractor without a prescribed licence.
571	TOMS, Andrew trading as A & S Brick Paving	8-Aug-2001	Building Work Contractors Act 1995	6(1)(a) 6(1)(b)	Refrain from carrying on business as a building work contractor whilst not holding the appropriate building work contractors licence. Refrain from holding out as being entitled to carry on business as a building work contractor without a prescribed licence.
572	DE SANCTIS, Marco	8-Aug-2001	Building Work Contractors Act 1995	6(1)(a) 6(1)(b)	Refrain from carrying on business as a building work contractor whilst not holding the appropriate building work contractors licence. Refrain from holding out as being entitled to carry on business as a building work contractor without a prescribed licence.
573	HENRIKSSON, Michael	8-Aug-2001	Plumbers, Gas Fitters and Electricians Act 1995	6(1)(a) & 13(1)(a) 6(1)(b) & 13(1)(b)	Refrain from acting as an electrical contractor and worker whilst being unlicensed. Refrain from holding himself out as being lawfully entitled to undertake work as an electrical contractor and worker whilst unlicensed.

Assurance number	Trader	Date of Assurance	Related Act	Section	Undertaking
574	LEDO, Bruce	14-Aug-2001	Security and Investigation Agents Act 1995	6(1)(a)	Refrain from carrying on business, or otherwise acting, as a security agent or investigation agent except as authorised by a licence.
				6(1)(b)	To refrain from holding himself out as being lawfully entitled to undertake security agent work.
575	ARSIE, Gary trading as G.M.G. Tiling & Bathroom Renovations	12-Sep-2001	Building Work Contractors Act 1995	30(1)(b)	To refrain from taking deposits for building work in excess of that authorised by Regulation 18(c).
				30(1)(a)	To refrain from demanding non-genuine progress payments.
				34	To ensure that when building work is undertaken that he takes out indemnity insurance.
576	KHIARI, Jamal	21-Sep-2001	Second-hand Vehicle Dealers Act 1995	7(1)	Refrain from carrying on the business of buying and selling second-hand vehicles without a second-hand vehicle dealers licence.
577	DINIC, Michael trading as Ilic Travel	8-Oct-2001	Travel Agents Act 1986	7(1)(a)	Refrain from carrying on business as Travel Agent without a Travel Agents licence.
				7(1)(b)	Refrain from advertising or holding out as Travel Agent without a Travel Agents licence.
578	ILIC, Zdravko trading as Ilic Travel	8-Oct-2001	Travel Agents Act 1986	16(1)(c)	Refrain from allowing other people to use his Travel Agents Licence or Travel Compensation Fund Membership.
579	FORTUN PTY LTD	10-Oct-2001	Plumbers, Gas Fitters and Electricians Act 1995	6(1)(a)	Refrain from carrying on business as an electrical work contractor without a prescribed licence.
				6(1)(b)	Refrain from advertising or holding out as an electrical work contractor without a prescribed licence.
580	WEBB, Peter	9-Oct-2001	Building Work Contractors Act 1995	6(1)(a)	Refrain from carrying on business as a building work contractor, by organising and/or performing painting work, without a prescribed licence.
				6(1)(b)	Refrain from advertising or holding out as a building work contractor without a prescribed licence.
581	STONEMADE CREATIONS PTY LTD	7-Nov-2001	Building Work Contractors Act 1995	6(1)(a)	Refrain from carrying on business as a building work contractor without a prescribed licence.
				6(1)(b)	Refrain from holding out as being entitled to carry on business as a building work contractor without a prescribed licence.

Assurance number	Trader	Date of Assurance	Related Act	Section	Undertaking
582	McGARRY, Leslie James trading as L/J Investigations	14-Nov-2001	Security and Investigation Agents Act 1995	6(1)(a)	Refrain from carrying on business, or otherwise acting, as a security agent or investigation agent except as authorised by a licence.
				6(1)(b)	Refrain from advertising or otherwise holding out as being entitled to carry on business, or to otherwise act, as a security agent or investigation agent unless authorised to so act by a licence.
583	GATHEMAN, Frank Walter	7-Nov-2001	Building Work Contractors Act 1995	48	Refrain from making a statement that is false or misleading in a material particular in any information provided, or record kept.
584	SNEDDON, John	15-Nov-2001	Second-hand Vehicle Dealers Act 1995	34(1)	Refrain from interfering with odometers of second-hand vehicles.
585	KILDEA, Michael Seamus	16-Nov-2001	Land and Business (Sale and Conveyancing) Act 1994	28	Refrain from undertaking the preparation of conveyancing instruments, while standing in a prescribed relationship with an agent.
586	ESBURY PTY LTD trading as Local Conveyancer Shop	16-Nov-2001	Conveyancers Act 1994	5	Refrain from carrying on business as a conveyancer without registration.
587	EDWIN, Peter trading as Adelaide Roof and Paving Company	19-Nov-2001	Building Work Contractors Act 1995	6(1)(a)	Refrain from carrying on as a building work contractor, ie. installing steel fencing without a prescribed licence.
				6(1)(b)	Refrain from advertising or otherwise holding out as being entitled to carry on business as a building work contractor, ie. paving and fencing without a prescribed licence.
588	COUNTRY COTTAGE	28-Nov-2001	Building Work Contractors Act 1995	6(1)(a)	Refrain from carrying on business as a building work contractor, by organising and performing building work, except as authorised by a licence.
				34(a)	Refrain from commencing building work without a policy of indemnity insurance being in force.
				34(b)	Refrain from failing to provide the building owner with a certificate evidencing the taking out of indemnity insurance.
589	SENSIBLE FUNERALS PTY LTD trading as Sensible Funerals	13-Dec-2001	Fair Trading Act 1987	56(1)	Refrain from making misleading statements to consumers concerning the legal requirements to identify bodies.
				56(1)	Refrain from making misleading statements to consumers as to the nature, content or consequence of signing any forms.

Assurance number	Trader	Date of Assurance	Related Act	Section	Undertaking
589	<i>SENSIBLE FUNERALS PTY LTD trading as Sensible Funerals</i>	13-Dec-2001	<i>Fair Trading Act 1987</i>	56(1)  56(1)	<i>Refrain from engaging in any conduct where consumers have not been fully and correctly briefed as to why they have been asked to sign any documentation. Refrain from lodging or attempting to lodge any document with OCBA which the company completed on the consumers behalf, that has not been appropriately executed with the consumer being fully appraised of the content and significance of the completed documents that they have executed.</i>
590	<i>DUCALA PTY LTD</i>	20-Dec-2001	<i>Second-hand Vehicle Dealer Regulations 1995 (Schedule 3)</i>	20(1)	<i>Refrain from advertising second-hand vehicles for sale without all the prescribed details.</i>
591	<i>SARET PTY LTD trading as Hahndorf Subaru</i>	20-Dec-2001	<i>Second-hand Vehicle Dealer Regulations 1995 (Schedule 3)</i>	20(1)	<i>Refrain from advertising second-hand vehicles for sale without all the prescribed details.</i>
592	<i>JOHN L. BATES &amp; ASSOCIATES PTY LTD trading as Adelaide Microbiology Service</i>	7-Jan-2002	<i>Trade Measurement Act 1993</i>	42(1)	<i>Refrain from engaging in misleading conduct.</i>
593	<i>BYASS, Leon David</i>	29-Nov-2001	<i>Building Work Contractors Act 1995</i>	34(a)  6(1)(a)	<i>Refrain from commencing building work without a policy of indemnity insurance being in force. Refrain from carrying on business as a building work contractor, by organising and performing building work, except as authorised by a licence.</i>
594	<i>PEDLER, Peter David</i>	29-Nov-2001	<i>Building Work Contractors Act 1995</i>	34(a)  6(1)(a)	<i>Refrain from commencing building work without a policy of indemnity insurance being in force. Refrain from carrying on business as a building work contractor, by organising and performing building work, except as authorised by a licence.</i>
595	<i>TRIANDAFILIDIS, Theodosis</i>	14-Jan-2002	<i>Plumbers, Gas Fitters and Electricians Act 1995</i>	6(1)(a)  6(1)(b)  13(a)  13(b)	<i>Refrain from carrying on business as a gas fitting contractor whilst not authorised by a licence. Refrain from advertising or holding a out as being entitled to carry on business as a gas fitting contractor whilst not authorised by a licence. Refrain from acting as a gas fitting worker whilst not authorised by a registration. Refrain from advertising and holding out as a gas fitting worker whilst not authorised by a registration.</i>

Assurance number	Trader	Date of Assurance	Related Act	Section	Undertaking
596	BUCKLEY, John William	14-Jan-2002	Security and Investigation Agents Act 1995	6(1)(a)	Refrain from being employed as a crowd controller whilst not licensed or not licensed appropriately.
597	RIECHERS, Robert Edgar	17-Jan-2002	Second-hand Vehicle Dealers Act 1995	7(1)	Refrain from carrying on the business of buying and selling of second-hand vehicles without a second-hand vehicle dealers licence.
598	THE GRAND HOTEL (SA) PTY LTD trading as Stamford Grand Adelaide	17-Jan-2002	Security and Investigation Agents Act 1995	12A	Refrain from employing crowd controllers who are not appropriately licensed.
599	WOODWARD, Keith	21-Jan-2002	Building Work Contractors Act 1995	6(1)(a) 6(1)(b)	Refrain from carrying on business as a building work contractor, ie. constructing retaining walls, without a prescribed licence. Refrain from advertising or otherwise holding out as being entitled to carry on a business as a building work contractor, ie. constructing retaining walls, without a prescribed licence.
600	ROMANO, Nicola	22-Jan-2002	Plumbers, Gas Fitters and Electricians Act 1995	6(1)(a)	Refrain from carrying on business as a plumbing contractor without holding a plumbing contractor's licence.
601	SMITH, Troy Maurice	25-Jan-2002	Security and Investigation Agents Act 1995	12A	Refrain from employing crowd controllers who are not appropriately licensed.
602	MAIELLO, Tony, Milica trading as Essential Beauty	18-Feb-2002	Fair Trading Act 1987	56(1), 58(e), 58(f) 56(1), 58(e), 58(f) 56(1), 58(e), 58(f)	Refrain from advertising using printed advertisements that contain the statement "Health Department certified" or any similar such statements. Refrain from displaying signs at the premises of the business Essential Beauty that contain the statement "Health Department certified" or any such statements. Refrain from making any oral or other such statements to customers or potential customers that the business Essential Beauty is "Health Department certified" or any such statement.
603	SIEBEL MANAGEMENT SERVICES PTY LTD trading as Ray White (West Lakes)	19-Feb-2002	Land and Business (Sale and Conveyancing) Act 1994	29(3)	Refrain from, as an agent, procuring conveyancing business.
604	SEDECKI, Konrad Roman, Maria Monica,	19-Mar-2002	Second-hand Vehicle Dealers Act 1995	18(b)	Refrain from selling second-hand vehicles, and failing to provide the customer of those vehicles a notice in the prescribed form.

Assurance number	Trader	Date of Assurance	Related Act	Section	Undertaking
605	ADAMSON, Colin John	13-Mar-2002	Land Agents Act 1994	43(1)(c)	Refrain from acting improperly as an agent.
606	BLACKMORE, Rikki Thomas	13-Mar-2002	Security & Investigation Agents Act 1995	6(1)(a)	Refrain from carrying on the duties of a crowd controller whilst unlicensed.
607	ANTRAM, Mark Francis trading as The House of Cars	8-Apr-2002	Second-hand Vehicle Dealers Act 1995	7(1)	Refrain from carrying on the business of, and holding out to be, a second-hand vehicle dealer without a second-hand vehicle dealers licence.
608	BROOKFIELD, Ian Walter	8-Apr-2002	Building Work Contractors Act 1995	6(1)(a)  6(1)(a), 13(1)(a)  6(1)(b), 13(1)(a)	Refrain from carrying on business as a building work contractor ie tiling & replacing a ceiling in a bathroom, by organising and performing building work, without a prescribed licence. Refrain from carrying on business as an electrical contractor and electrical worker without a prescribed licence and workers registration. Refrain from advertising or otherwise holding out as being entitled to carry on a business as an electrical work contractor and to perform electrical work without a prescribed licence and workers registration.
609	FIDCOCK, Christopher Grant	9-Apr-2002	Security and Investigation Agents Act 1995	25(1)(e)(ii)	Undertake to refrain from engaging in any conduct which may give rise to any offence of dishonesty, and, forging of, or uttering of, forged documents.
610	WHITE, Kenneth Ernest	16-Apr-2002	Conveyancers Act 1994	45(1)(d)(i)  45(1)(d)(i)	Undertake to successfully complete the Company Directors Course offered by the Australian Institute of Company Directors within 12 months of the date of this assurance Undertakes to provide the Commissioner with evidence of successful completion of the Company Directors Course within 12 months of the date of this assurance.
611	WHITE, Dianne Lyola	16-Apr-2002	Land Agents Act 1994	43(1)(e)(i)  43(1)(e)(i)	Undertake to successfully complete the Company Directors Course offered by the Australian Institute of Company Directors within 12 months of the date of this assurance Undertakes to provide the Commissioner with evidence of successful completion of the Company Directors Course within 12 months of the date of this assurance.
612	BEAN, John Bowering	12-Jun-2002	Security and Investigation Agents Act 1995	25(1)(e)(ii)	Undertake to only carry out factual investigation whilst being an undischarged bankrupt.

Assurance number	Trader	Date of Assurance	Related Act	Section	Undertaking
613	BEAN, Heather Claire	12-Jun-2002	Security and Investigation Agents Act 1995	25(1)(e)(ii)	Undertakes to only carry out factual investigation whilst being an undischarged bankrupt.
614	MAUNDERS, Michael	24-Jun-2002	Plumbers, Gas Fitters and Electricians Act 1995	6(1)(a) 13(a)	Refrain from carrying on business as an electrician without a licence. Refrain from acting as an electrical worker without a registration.
615	GRAY, Reginal	28-Jun-2002	Plumbers, Gas Fitters and Electricians Act 1995	6(1)(a) 13(a)	Refrain from carrying on business as a plumber without a licence. Refrain from acting as an plumbing worker without a registration.
617	RIEDEL, Mark Walter	13-May-2002	Security and Investigation Agents Act 1995	25(1)(e)(ii) 25(1)(e)(ii) 25(1)(e)(ii)	Undertakes to surrender the endorsement of "collection work" on his Security and Investigation Agents licence. Undertakes not to reapply to have collection work endorsed on his Security and Investigation Agents licence until 30 August 2005. Undertakes to complete the Company Directors Course offered by the Australian Institute of Company Directors within 12 months of the date of this assurance.
618	RIEDEL, Philip Gary	13-May-2002	Security and Investigation Agents Act 1995	25(1)(e)(ii) 25(1)(e)(ii)	Undertakes to surrender the endorsement of "collection work" on his Security and Investigation Agents licence. Undertakes to successfully complete the Company Directors Course offered by the Australian Institute of Company Directors within 12 months.
619	RIEDEL SERVICES Pty Ltd	13-May-2002	Security and Investigation Agents Act 1995	25(1)(e)(ii)	Undertakes to provide end of year financial reports to the Commissioner at the time that the annual return is due, for a period of three years from the date of the assurance.

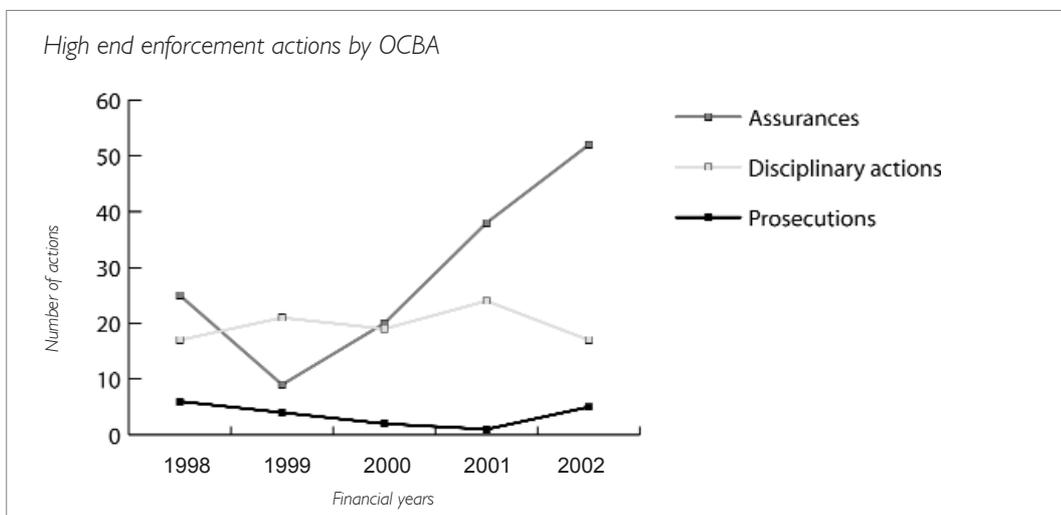
Branch staff undertook 1415 investigations in relation to alleged breaches of the following Acts and or their associated regulations:

■ Incorporation of Associations	10
■ Building Work Contractors	180
■ Business Names	877
■ Consumer Credit Code	4
■ Conveyancers	8
■ Co-operatives	0
■ Fair Trading	32
■ Fair Trading Health and Fitness Regulations	2
■ Land Agents	52
■ Land & Business (Sale & Conveyancing)	5
■ Plumbers Gas Fitters Electricians (Electricians)	44
■ Plumbers Gas Fitters Electricians (Gas Fitters)	13
■ Plumbers Gas Fitters Electricians (Plumbers)	14
■ Residential Tenancies	3
■ Retail and Commercial Leases	1
■ Second-hand Vehicle Dealers	84
■ Security and Investigation Agents	81
■ Travel Agents	5

**1415**

In respect of the "high end" of enforcement, OCBA's court actions concerned 5 prosecutions and 17 disciplinary actions and the Branch was responsible for initiating 52 Assurances.

	Prosecutions	Disciplinary actions	Assurances
1998	6	17	25
1999	4	21	9
2000	2	19	20
2001	1	24	38
2002	5	17	52



Significant legal actions over the past 12 months included:

- *Building Work Contractors Act 1995. Robert Speck was convicted of unlicensed building work and fined \$10,000. At the subsequent disciplinary action on 11 April 2002 he was permanently banned from the industry.*
- *Building Work Contractors Act 1995. Michael Loader was convicted for unlicensed building in respect of several property developments in Port Adelaide. He acted beyond the scope of a Ministerial exemption granted to him. He was convicted and fined \$8,000.*
- *Building Work Contractors Act 1995. Guiseppa Emanuele had his licence suspended in August 2001 until 24 January 2006 in respect of his bankruptcy for nearly \$300 million and being the director of sixty-three insolvent companies.*
- *Conveyancers Act 1994. William Longworth had his registration cancelled and was prohibited from working in the industry and being a company director of a conveyancing company until further order in respect of a \$300,000 fraud perpetrated against six of his clients over the period from 1994 to 2000. In April 2001 Mr Longworth was convicted of 10 counts of fraudulent conversion and was sentenced to serve a four and a half year custodial sentence with a non-parole period of two and a half years.*
- *Second-hand Vehicle Dealers Act 1995. Shafick Elsayed was fined \$5,000 for unlicensed second-hand vehicle dealing.*

#### Completed Court Actions

No.	Case name, Surname or Co Name	Act	Sections	Allegation	Comment	Outcome
1	Sollars Geoffrey Allan	Security and Investigation Agents Act 1995	9(1)(b) 25(1)(e)(i)	Events have occurred such that defendant not eligible to be granted a licence (assault occasioning actual bodily harm conviction)	Disciplinary action. 11 July 2001	Reprimand. Ordered to complete one day Conflict Management module.
2	Turpin Dwayne	Building Work Contractors Act 1995	9(1)(c) 21(1)(e)	Licensed builder undischarged bankrupt	Disciplinary action. 4 July 2001	Licence conditions varied to contract only to other licensed builders until 19 June 2010.
3	Pens Allen John	Building Work Contractors Act 1995	21(1)(e)	Bankrupt	Disciplinary action. 14 February 2002	Conditions placed on building contractors licence to only contract with licensed builders and to advise them that he is an undischarged bankrupt
4	Longworth William	Conveyancers Act 1994	45(1)(c)(d)	Former registered Conveyancer - convicted of prohibition orders from fraudulent conversion of trust moneys	Disciplinary action. 27 February 2002	Registration as a conveyancer cancelled and working in the industry and from being a director of a company that is a conveyancer.

No.	Case name or Surname or Co Name	Act	Sections	Allegation	Comment	Outcome
5	Elsayed Shafick	Second-hand Vehicle Dealers Act 1995	7(1)	Unlicensed second-hand vehicle dealer.	Prosecution action. 14 February 2002	Conviction and fine of \$5,000.
6	Meyers Michael	Security and Investigations Agents Act 1994	6(1)	Unlicensed crowd controller	Prosecution action. 14 September 2001	Conviction and fine of \$200.00.
7	Loader Michael	Building Work Contractors 1995	6(1)(a) 34(a)(b)	Unlicensed builder and having no indemnity insurance	Prosecution action. 8 October 2001	Convicted and fined \$8,000.
8	Emanuele Guisepe	Building Work Contractors 1995	9(1)(d)	Licensed builder and registered land agent bankruptcy and directorship of 63 insolvent companies.	Disciplinary action 22 August 2001	Licence suspended until 24 January 2006.
9	Brownrigg Simon Blake	Plumbers, Gas Fitters & Electricians Act 1995	20(1)(d)	Director of a company wound up for the benefit of creditors	Disciplinary action 22 March 2002	Condition to contract only to licensees. Defendant ordered to complete study modules.
10	White Dianne	Land Agents Act 1994	43(1)(e)(i)	Director of a company wound up for the benefit of creditors	Disciplinary action discontinued.	Assurance given that a company directors course will be completed by 16 April 2003.
11	Burns Jamie Robert	Building Work Contractors 1995	21(1)(e)	Licensed building work contractor. Bankrupt.	Disciplinary action. 27 March 2002	Condition to contract only to licensees.
12	Dunn Thomas	Building Work Contractors 1995	21(1)(e)	Licensed building work contractor. Bankrupt.	Disciplinary action. 28 March 2002.	Licence condition imposed to contract only to licensees and to advise he is an undischarged bankrupt.
13	White Kenneth	Conveyancers Act 1994	45(1)(d)(i)	Director of a company wound up for the benefit of creditors	Disciplinary action discontinued.	Assurance given that a company directors course will be completed by 16 April 2003.
14	Fidock Christopher	Security & Investigation Agents Act 1994	9(1)(b), 25(1)(e)(ii)	Licensed security agent breach of prescribed offences	Disciplinary action discontinued.	Assurance given that he will refrain from engaging in conduct that will lead to an offence of dishonesty.

No.	Case name or Surname or Co Name	Act	Sections	Allegation	Comment	Outcome
15	Parisi Stefano	Building Work Contractors Act 1995	21(1)(e)	Licensed building work contractor director of an insolvent company in liquidation.	Disciplinary action. 1 May 2002	Licence condition imposed to contract only to licensees and to advise he is an undischarged bankrupt.
16	Speck Robert Noel	Building Work Contractors Act 1995	6(1)(a)	Unlicensed building work.	Prosecution. Convicted 28 May 2001, fined \$10,000.00. Disciplinary action 11 April 2002	Permanent prohibition from building industry.
17	Gargula Steven	Plumbers, Gas Fitters & Electricians Act 1995	13(a)	Unregistered gas fitting worker.	Prosecution action. 1 May 2002.	Fined \$200.
18	Taylor Peter M	Building Work Contractors Act 1995	21(1)(e)	Does not meet licence eligibility criteria.	Disciplinary action. 3 April 2002	Conditions placed on building contractors licence for labour only contracts with licensed builders. Contracts must be less than \$3,000. Prohibited from being a director of a licensed body corporate.
19	Hunt Clive E	Building Work Contractors Act 1995	6(1)(a), 13(1)	Performed renovations which included plumbing gas fitting and electrical work while unlicensed.	Prosecution action. 7 June 2002	Fined \$2,000 .
20	Riedel Mark	Security and Investigation Agents Act 1994	25(1)(c)(ii)	Licensed security agent. Director of Company wound up for the benefit of creditors.	Disciplinary action discontinued.	Undertaking given to surrender collection work endorsement and not to apply for such an endorsement until 30 August 2005. Also a company directors course to be completed.
21	Riedel Philip	Security and Investigation Agents Act 1994	25(1)(c)(ii)	Licensed security agent. Director of Company wound up for the benefit of creditors.	Disciplinary action discontinued.	Undertaking given to surrender collection work endorsement and to complete company directors course.
21	Riedel Investigation Pty Ltd	Security and Investigation Agents Act 1994	25(1)(c)(ii)	Licensed security agent. Directors who have been directors of a company wound up for the benefit of creditors.	Disciplinary action discontinued.	Undertaking given to surrender collection work endorsement and to complete company directors course.

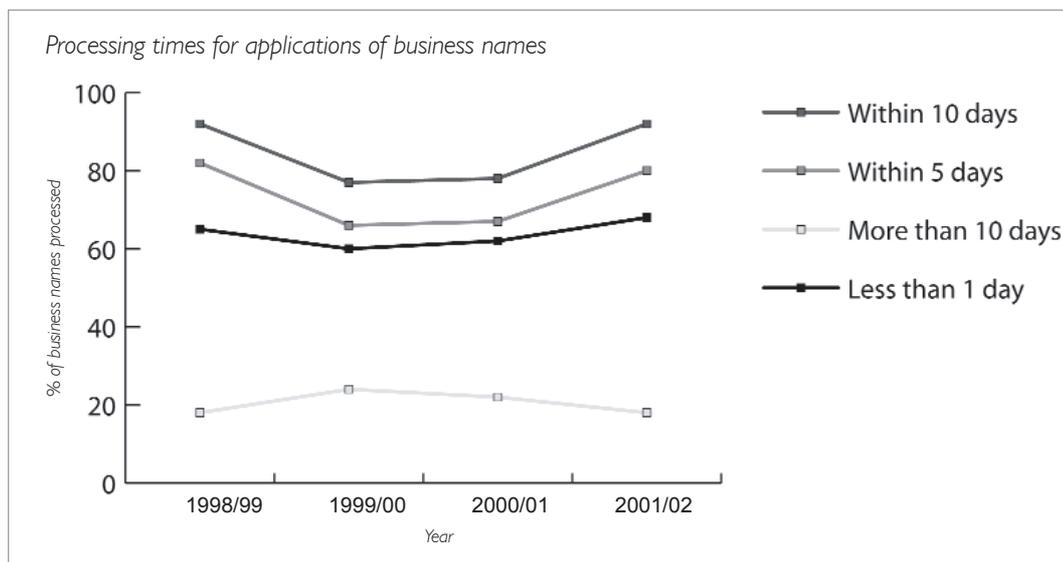
As at 30 June 2002, CACB had briefed a number of matters to the Crown Solicitors Office. These matters are pending the drafting of proceedings or in litigation. Some matters involve alleged breaches of several different acts.

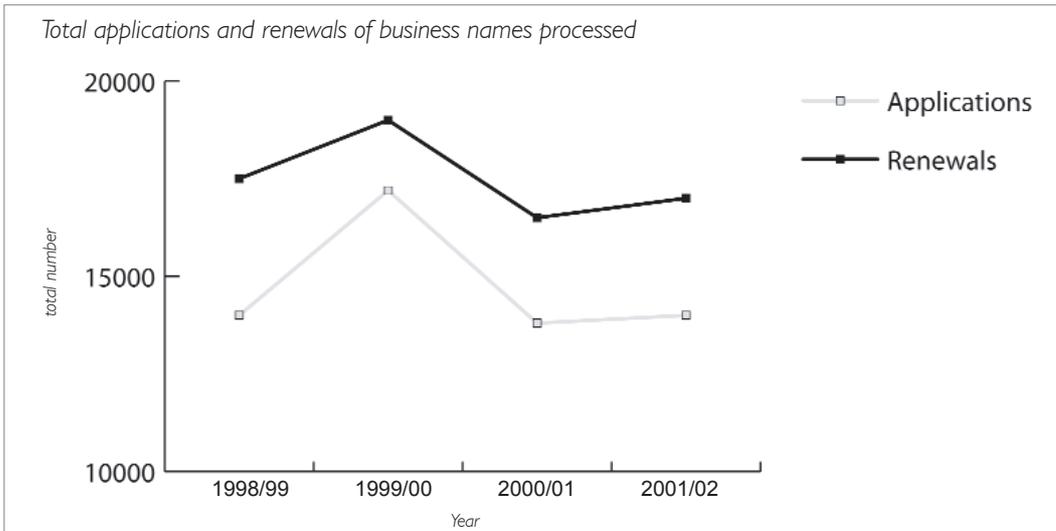
Act	Numbers of matters
Associations Incorporation Act 1985	1
Building Work Contractors Act 1995	6
Consumer Credit Act 1995	5
Fair Trading Act 1987	11
Plumbers Gas Fitters and Electricians Act 1995	5
Second-hand Vehicle Dealers Act 1995	5
Security and Investigations Agents Act 1995	10
<b>Total</b>	<b>43</b>

CACB also appointed administrators to four separate land agency businesses and six trust accounts and investigated frauds involving approximately \$180,000 of trust monies.

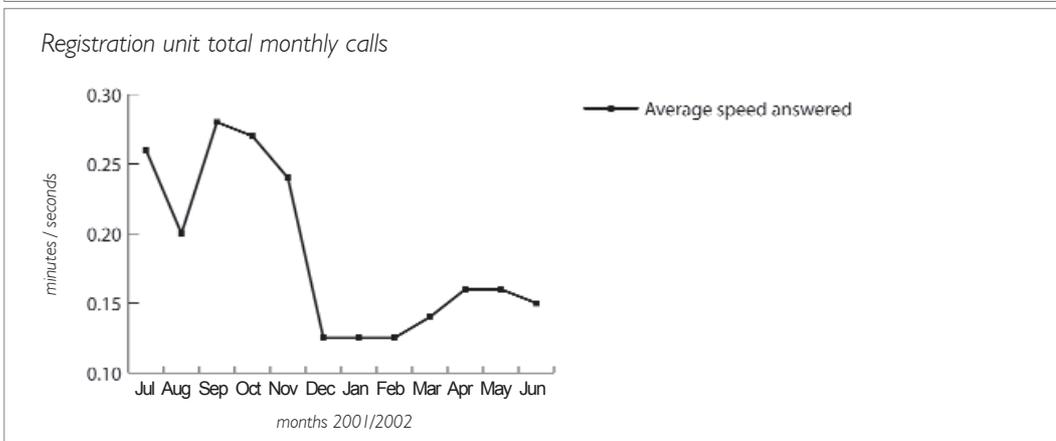
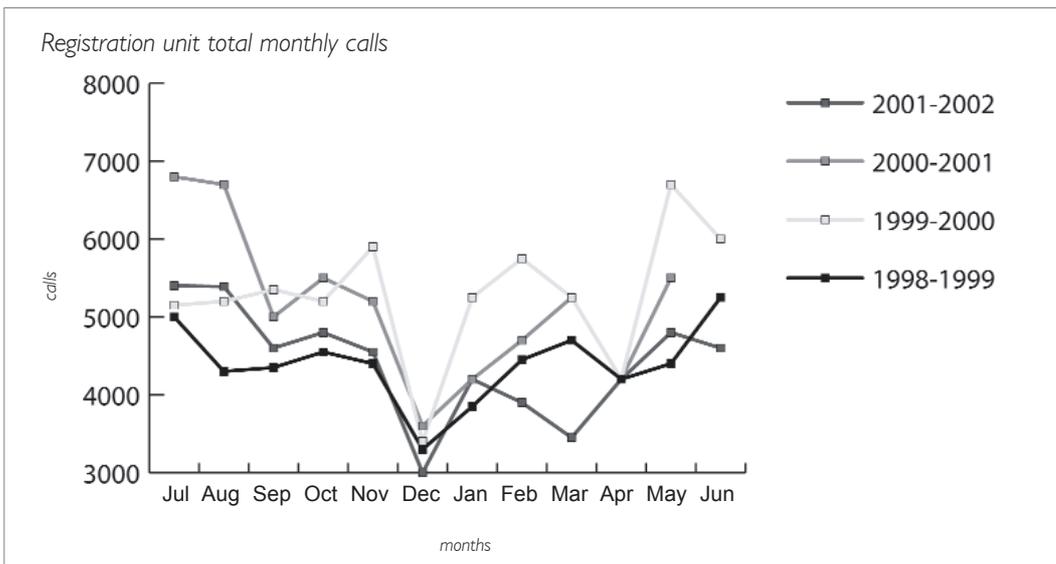
CACB participated in monitoring industry compliance at a number of community events including the Schutzenfest, Tour Down Under, Big Day Out, Glendi, the Norwood Food and Wine Festival and the Clipsal 500. The branch targeted second-hand motor vehicle dealers, conducted general trader monitoring in Gawler & Evanston Park, checked Rundle Mall private security operations, participated in monitoring exercises in Mount Gambier, the far north of the State and hotels and clubs in the Adelaide CBD as part of the joint operation City Safe with SA Police.

For the period under review, the average percentage of business names registered within 10 days was 91.3%. Last year's average was 79.61%.





Since November 2001 a number of modifications were made to the South Australian Business Names System (SABN) to improve monitoring of performance and customer service. These included: ability to record email addresses, a co-operatives module, names determination enhancement and a document archive system.



In 2001/2002 the Registration Unit of CACB handled 52,758 customer telephone enquiries. In the year under review, 1090 customers renewed their business name either on-line or using the Interactive Voice Recognition (IVR), translating to over \$100,000 of revenue being processed through this service.

## Appendix Eight

### Tenancies Branch

	June 99	June 00	June 01	June 02
<i>Bonds Section</i>				
Tenant provided bonds	59816	60314	60730	61775
SAHT provided bonds	3747	2631	1970	1521
SAHT bond guarantees	18472	20040	20839	21502
Total residential bonds held	82035	82985	83539	84798
Tenant provided bonds (\$)	31558047	33089447	34948838	37359959
SAHT provided bonds (\$)	1647086	1160846	861762	663469
SAHT bond guarantees (\$)	8536382	9509496	10069850	10635493
Total residential bonds held (\$)	41741515	43759789	45880450	48658921
Residential bonds lodged	47151	47323	47655	47181
Residential bonds refunded	45339	46338	47100	45921
Retail bonds lodged	293	326	293	263
Retail bonds refunded	219	212	215	199
Incoming residential bond calls	40390	41559	39718	37888
Average speed of answer (secs)	20	26	28	19
Average duration of calls (secs)	122	146	135	133

### Advice Section

Requests for assistance	1011	926	937	891
Tribunal files investigated	1417	1427	1515	1492
Telephone Advices	78406	83603	81094	87586
Average speed of answer (secs)	22	21	24	23
Average duration of calls (secs)	204	213	224	203
Total telephone calls received in Branch (estimated)	152950	173390	170079	168000

### Tribunal Support Section

Applications lodged	9667	10717	11209	11253
Hearing listed - Metro	8042	8695	8600	8943
- Country	652	892	898	1010
Hearings conducted	7029	7366	7593	7764

### Residential Tenancies Tribunal hearings

	1998/99		1999/00		2000/01		2001/02	
	No.	%	No.	%	No.	%	No.	%
Bond and compensation	1230	17.5	1083	14.7	1503	19.8	1572	20.2
Vacant possession	4852	69.1	5085	69.0	5332	70.2	5359	69.0
Immediate termination	52	0.7	33	0.4	39	0.5	35	0.5
Miscellaneous	531	7.6	799	10.8	282	3.7	324	4.2
Retirement villages					41	0.6	10	0.1
Vary or set aside	161	2.3	166	2.3	214	2.8	285	3.7
Exemptions	11	0.1	6	0.1	7	0.1	4	0.1
Section 90 by landlords (tenants conduct)	72	1.0	74	1.0	78	1.0	57	0.7
Section 90 by interested parties (tenants conduct)	120	1.7	120	1.6	97	1.3	118	1.5
<b>Total</b>	<b>7029</b>	<b>100</b>	<b>7366</b>	<b>100</b>	<b>7593</b>	<b>100</b>	<b>7764</b>	<b>100</b>

## Appendix Nine

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### Freedom of Information

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Three applications under the Freedom of Information Act 1991 were received by the agency during the reporting period. The applications included requests for policy and personal information held on consumer complaint files.

Fourteen applications were received during the previous twelve months.

New applications	3
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Applications carried over	Nil
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## Appendix Ten

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### Consultants

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Wendy Easson Interior Design was engaged during the reporting period to provide office redesign services. Cost: \$616.00.

## Appendix Eleven

### Residential Tenancies Fund Financial Statement

#### Statement of Financial Performance as at 30 June 2002

	Notes	2002 \$' 000	2001 \$' 000
<b>Revenues from ordinary activities</b>			
Interest		2,941	3,026
Other	2	<u>161</u>	<u>147</u>
<b>Total revenues from ordinary activities</b>		<b><u>3,102</u></b>	<b><u>3,173</u></b>
<b>Expenses from ordinary activities</b>			
Employee	3	2,499	2,279
Accommodation		432	465
Executive/Country cross-charge		245	230
Depreciation	4	249	84
Disposal of asset		276	-
Other	5	<u>1,911</u>	<u>625</u>
<b>Total expenses from ordinary activities</b>		<b><u>5,612</u></b>	<b><u>3,683</u></b>
<b>Net operating deficit from ordinary activities</b>		<b><u>(2,510)</u></b>	<b><u>(510)</u></b>
<b>Equity Interest</b>		<b>(2,510)</b>	<b>(510)</b>
Net (debits) / credit to asset revaluation reserve	13	<u>(338)</u>	<u>702</u>
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>		<b><u>(338)</u></b>	<b><u>702</u></b>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b><u>(2,848)</u></b>	<b><u>192</u></b>

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

Statement of Financial Position as at 30 June 2002

	Note	2002 \$' 000	2001 \$' 000
<b>CURRENT ASSETS</b>			
<i>Cash on Hand and on Deposit</i>	6	40	(76)
<i>Investments</i>		6,569	5,812
<i>Receivables</i>	7	211	125
<i>Other</i>	8	-	175
<i>Total Current Assets</i>		<u>6,820</u>	<u>6,036</u>
<b>NON-CURRENT ASSETS</b>			
<i>Plant and Equipment</i>	9	1,085	896
<i>Investments</i>		38,373	39,896
<i>Total Non-Current Assets</i>		<u>39,458</u>	<u>40,792</u>
<b>TOTAL ASSETS</b>		<b><u>46,278</u></b>	<b><u>46,828</u></b>
<b>CURRENT LIABILITIES</b>			
<i>Security Bonds lodged</i>	10	22,268	20,545
<i>Payables</i>	11	559	533
<i>Other current liabilities</i>	12	67	23
<i>Total Current Liabilities</i>		<u>22,894</u>	<u>21,101</u>
<b>NON-CURRENT LIABILITIES</b>			
<i>Security Bonds lodged</i>	10	16,760	16,189
<i>Other non-current liabilities</i>	12	180	246
<i>Total Non-Current Liabilities</i>		<u>16,940</u>	<u>16,435</u>
<b>TOTAL LIABILITIES</b>		<b><u>39,834</u></b>	<b><u>37,536</u></b>
<b>NET ASSETS</b>		<b><u>6,444</u></b>	<b><u>9,292</u></b>
<b>EQUITY</b>			
<i>Accumulated Surplus</i>	13	6,080	8,590
<i>Asset Revaluation Reserve</i>	13	364	702
<b>TOTAL EQUITY</b>		<b><u>6,444</u></b>	<b><u>9,292</u></b>

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

Statement of Cash Flows for the year ended 30 June 2002

	Note	2002 \$'000 Inflows/(Outflows)	2001 \$'000 Inflows/(Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Interest		726	703
Bond lodgements		24,562	23,386
Other		37	31
<b>Total cash received</b>		<b>25,325</b>	<b>24,120</b>
<b>Cash used</b>			
Administration		(3,726)	(3,306)
Bond refunds		(22,268)	(21,790)
Other		(33)	(35)
<b>Total cash used</b>		<b>(26,027)</b>	<b>(25,131)</b>
<b>Net cash used in operating activities</b>	14	<b>(702)</b>	<b>(1,011)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from investments		1,500	1,000
<b>Total cash received</b>		<b>1,500</b>	<b>1,000</b>
<b>Cash used</b>			
Payments for non-current assets		(682)	(33)
<b>Total cash used</b>		<b>(682)</b>	<b>(33)</b>
<b>Net cash provided by investing activities</b>		<b>818</b>	<b>967</b>
<b>Net increase (decrease) in cash held</b>			
Cash at beginning of the reporting period		116	(44)
Cash at the end of the reporting period	6	<b>40</b>	<b>(76)</b>

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

## Notes to and forming part of the financial statements

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### Note 1. Summary of Significant Accounting Policies

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#### 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 2002 is \$10.4m (2001 \$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 2002 is \$71,000 (2001 \$61,000).*

## **1.3 Employees**

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*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.*

## **1.4 Taxation**

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*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 from the Australian Taxation Office has been recognised in the Attorney-General's Department's Statement of Financial Position.*

## **1.5 Leases**

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*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.*

## **1.6 Cash**

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*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

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Accounting policies for financial instruments are stated at Note 18.

## 1.8 Acquisition of Assets

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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.

## 1.9 Property, Plant and Equipment

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### 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 Australian Accounting Standard AASB 1041 '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.

### 1.10 Comparative figures

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

### 1.11 Rounding

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

### 2. Other Revenue

	2002 \$'000	2001 \$'000
<i>Other revenues for the Fund comprised:</i>		
Management fee recovery	125	116
Trainee salary recovery	36	31
Total Other Revenues	<u>161</u>	<u>147</u>

### 3. Employee

	2002 \$'000	2001 \$'000
<i>Employee expenses for the reporting period comprised:</i>		
Salaries and Wages	2 011	1 869
Payroll Tax and Superannuation Expenses	374	338
Long Service Leave Expenses	112	57
Other Employee Related Expenses	2	15
Total Employee Expenses	<u>2 499</u>	<u>2 279</u>

### 4. Depreciation and Amortisation

	2002 \$'000	2001 \$'000
<i>Depreciation and Amortisation expenses for the reporting period comprised:</i>		
Leasehold Improvements	173	18
Plant and Equipment	52	38
Information Technology	18	22
Plant and Equipment under finance lease.	6	6
Total Depreciation and Amortisation	<u>249</u>	<u>84</u>

### 5. Other Expenses

	2002 \$'000	2001 \$'000
<i>Other expenses for the Fund comprised:</i>		
Administration	632	505
Staff Payments	9	48
Revaluation decrement	1 131	-
Computing and Communication	139	72
Total Other expenses	<u>1 911</u>	<u>625</u>

## 6. Cash on Hand and on Deposit

	2002 \$'000	2001 \$'000
Special Deposit Accounts with Reserve Bank	40	(76)
Total Cash on Hand and on Deposit	<u>40</u>	<u>(76)</u>

## 7. Receivables

	2002 \$'000	2001 \$'000
<b>Current</b>		
Accrued interest	209	125
Other receivable	2	-
Total Receivables	<u>211</u>	<u>125</u>

## 8. Other Current Assets

	2002 \$'000	2001 \$'000
Lease incentive	-	196
Working Accounts	-	(21)
Total Other Current Assets	<u>-</u>	<u>175</u>

## 9A. Property, Plant and Equipment

	Cost/Valuation	Accumulated Depreciation/ Amortisation	Written Down Value	
	2002 \$'000	2002 \$'000	2002 \$'000	2001 \$'000
Leasehold Improvements (1)	1 126	406	720	557
Information Technology (2)	117	46	71	41
Plant and Equipment (2)	699	406	293	291
Plant and Equipment under finance lease	23	22	1	7
	<u>1 965</u>	<u>880</u>	<u>1 085</u>	<u>896</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	Revals	Other	Closing Bal.	Opening Bal.	Charge	Disposals	Revals	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	1046	618	517	-21	0	1126	489	104	172	-15	0	406	720	557
<b>Total Buildings</b>	1046	618	517	-21	0	1126	489	104	172	-15	0	406	720	557
<b>Plant &amp; Equipment</b>														
Information Technology	79	53	0	0	-15	117	38	8	0	0	0	46	71	41
Plant and Equipment at Valuation	563	15	25	146	0	699	272	55	7	86	0	406	293	291
<b>Total Plant &amp; Equipment</b>	642	68	25	146	-15	816	310	63	7	86	0	452	364	332
<b>Leased Plant &amp; Equipment</b>														
Plant & Equipment under finance lease	23	0	0	0	0	23	16	6	0	0	0	22	1	7
<b>Total Leased Plant &amp; Equipment</b>	23	0	0	0	0	23	16	6	0	0	0	22	1	7
<b>Total Plant &amp; Equipment</b>	665	68	25	146	-15	839	326	69	7	86	0	474	365	339
<b>Total Property, Plant &amp; Equipment</b>	1711	686	542	125	-15	1965	815	173	179	71	0	880	1085	896

## 10. Security Bonds Lodged

	2002 \$'000	2001 \$'000
<b>Current</b>		
Bonds Lodged	22 254	20 531
Sale of Goods	12	12
Rent held pursuant to tribunal direction	2	2
Total Other Current Liabilities	<u>22 268</u>	<u>20 545</u>
<b>Non Current</b>		
Bonds Lodged	16 760	16 189
Total Other Non Current Liabilities	<u>16 760</u>	<u>16 189</u>

## 11. Payables

	2002 \$'000	2001 \$'000
<b>Current</b>		
Creditors	535	514
Accruals	24	19
Total Current Payables	<u>559</u>	<u>533</u>

## 12A. Other Liabilities

	2002 \$'000	2001 \$'000
<b>Current</b>		
Finance Lease (refer note 12B)	1	7
Lease Incentive	66	16
Total Other Current Liabilities	<u>67</u>	<u>23</u>
<b>Non Current</b>		
Finance Lease (refer note 12B)	-	1
Lease Incentive	180	245
Total Other Non Current Liabilities	<u>180</u>	<u>246</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):

	2002 \$' 000	2001 \$' 000
Payable no later than one year	1	7
Payable later than one year and not later than five years	-	1
Payable later than five years	-	-
Total Finance Leases	<u>1</u>	<u>8</u>
Minimum Lease Payments	1	8
deduct: Future Finance Charges	-	-
Lease Liability	<u>1</u>	<u>8</u>

Classified as:

Current	1	7
Non Current	-	1
	<u>1</u>	<u>8</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:

	2002 \$' 000	2001 \$' 000
<b>Accumulated Surplus</b>		
Balance as at 1 July	8 590	9 100
Net operating deficit from ordinary activities	(2 510)	(510)
Balance as at 30 June	<u>6 080</u>	<u>8 590</u>
	<b>2002 \$' 000</b>	<b>2001 \$' 000</b>
<b>Asset Revaluation Reserve</b>		
Balance as at 1 July	702	-
Revaluation Adjustments:-		
Investments	(392)	392
Building Fixture and Fittings	(6)	203
Building Furniture	60	107
Balance as at 30 June	<u>364</u>	<u>702</u>
Balance as at 30 June is made up of:		
Investments	-	392
Building Fixture and Fittings	197	203
Building Furniture	167	107
Balance as at 30 June	<u>364</u>	<u>702</u>

#### 14. Cash Flow Reconciliation

	2002	2001
	\$'000	\$'000
<b>Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows</b>		
Cash at year end per Statement of Cash Flows	40	(76)
Statement of Financial Position items comprising above cash	40	(76)
<b>Reconciliation of operating deficit to net cash used in operating activities:</b>		
Net deficit	(2 510)	(510)
Add non cash items:		
Depreciation and amortisation	249	84
Revaluation decrement	1 131	-
Disposal of asset	276	-
Change in assets and liabilities		
Movement in bonds	2 294	1 596
Increase in payables	21	181
Increase in other liabilities	-	77
(Increase)/Decrease in receivables	(86)	59
Decrease in other assets	180	-
Movement in investments	(2 257)	(2 498)
Net cash used in operating activities	<u>(702)</u>	<u>(1 011)</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 \$24,000 (2001 \$19,000). No other services were provided by the Auditor-General.

#### 17. Average Staffing Levels

	2002	2001
The average staffing levels for the business operation during the year were:	48	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	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
<b>Financial Assets</b>								
Cash at Bank	40	(76)	-	-	40	(76)-	4.39	5.77
Investments	44 942	45 708	-	-	44 942	45 708	1.6	6.5
Receivables	-	-	211	125	211	125		
Total	44 982	45 632	211	125	45 193	45 757		
<b>Financial Liabilities</b>								
Payables	-	-	559	533	559	533		
Total	-	-	559	533	559	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 2002 and the result of its operations and its cash flows for the year ended 30 June 2002, 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 2002



Auditor-General's  
Department

## INDEPENDENT AUDIT REPORT

### TO THE COMMISSIONER FOR CONSUMER AFFAIRS RESIDENTIAL TENANCIES FUND

#### 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 2002. 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*, Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with my understanding of the Residential Tenancies Fund's financial position, its financial performance 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 Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Residential Tenancies Fund as at 30 June 2002, its financial performance and its cash flows for the year then ended.

25 October 2002

S. O'NEILL  
DEPUTY AUDITOR-GENERAL

## Appendix Twelve

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### Second Hand Vehicles Compensation Fund

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#### Statement of Financial Performance as at 30 June 2002

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	Notes	2002 \$' 000	2001 \$' 000
<b>Revenues from ordinary activities</b>			
<i>Contribution by Licensees</i>		297	301
<i>Interest</i>		102	97
<i>Other</i>	2	16	28
<b>Total revenues from ordinary activities</b>		<b>415</b>	<b>426</b>
<b>Expenses from ordinary activities</b>			
<i>Claims</i>	3	69	150
<i>Administration</i>	4	38	35
<i>Auditors remuneration</i>		3	6
<i>Other</i>		110	2
<b>Total expenses from ordinary activities</b>		<b>220</b>	<b>193</b>
<b>Net operating surplus from ordinary activities</b>		<b>195</b>	<b>233</b>
<b>Equity Interest</b>		195	233
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b>195</b>	<b>233</b>

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

Statement of Financial Position as at 30 June 2002

	Note	2002 \$' 000	2001 \$' 000
<b>CURRENT ASSETS</b>			
<i>Cash on Hand and on Deposit</i>	5	360	156
<i>Investments</i>		215	228
<i>Receivables</i>	6	<u>11</u>	<u>6</u>
<i>Total Current Assets</i>		<u>586</u>	<u>390</u>
<b>NON-CURRENT ASSETS</b>			
<i>Investments</i>		<u>1,478</u>	<u>1,480</u>
<i>Total Non-Current Assets</i>		<u>1,478</u>	<u>1,480</u>
<b>TOTAL ASSETS</b>		<u><b>2,064</b></u>	<u><b>1,870</b></u>
<b>CURRENT LIABILITIES</b>			
<i>Payables</i>	7	<u>5</u>	<u>6</u>
<i>Total Current Liabilities</i>		<u>5</u>	<u>6</u>
<b>TOTAL LIABILITIES</b>		<u><b>5</b></u>	<u><b>6</b></u>
<b>NET ASSETS</b>		<u><u><b>2,059</b></u></u>	<u><u><b>1,864</b></u></u>
<b>EQUITY</b>			
<i>Accumulated Surplus</i>	8	<u>2,059</u>	<u>1,864</u>
<b>TOTAL EQUITY</b>		<u><u><b>2,059</b></u></u>	<u><u><b>1,864</b></u></u>

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

Statement of Cash Flows For the year ended 30 June 2002

	Note	2002 \$'000 Inflows/(Outflows)	2001 \$'000 Inflows/(Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Interest		14	10
Contributions by Licencees		297	301
Other		12	6
<b>Total cash received</b>		<b>323</b>	<b>317</b>
<b>Cash used</b>			
Administration		(38)	(35)
Claims		(69)	(160)
Other		(12)	(8)
<b>Total cash used</b>		<b>(119)</b>	<b>(203)</b>
<b>Net cash from operating activities</b>	<b>9</b>	<b>204</b>	<b>114</b>
<b>Net increase in cash held</b>			
Cash at beginning of the reporting period		156	42
<b>Cash at the end of the reporting period</b>	<b>5</b>	<b>360</b>	<b>156</b>

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

## Notes to and forming part of the financial statements

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### Note 1. Summary of Significant Accounting Policies

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

#### 1.4 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.

#### 1.5 Financial Instruments

Accounting policies for financial instruments are stated at Note 12.

#### 1.6 Comparative figures

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

#### 1.7 Rounding

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

### 2. Other Revenue

	2002 \$'000	2001 \$'000
Other revenues for the Fund comprised:		
Management fee recovery	4	5
Revaluation increment	-	17
Sundry recovery	12	6
Total Other Revenues	<u>16</u>	<u>28</u>

### 3. Claims

Payments to settle valid unsatisfied claims against 1(4 in 2000/01) 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

	2002 \$'000	2001 \$'000
Special Deposit Accounts with Reserve Bank	<u>360</u>	<u>156</u>
Total Cash on Hand and on Deposit	<u>360</u>	<u>156</u>

## 6. Receivables

	2002	2001
	\$'000	\$'000
<b>Current</b>		
Accrued interest	11	6
Total Receivables	11	6

## 7. Payables

	2002	2001
	\$'000	\$'000
<b>Current</b>		
Accruals	5	6
Total Current Payables	5	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:

	2002	2001
	\$' 000	\$' 000
<b>Accumulated Surplus</b>		
Balance as at 1 July	1 864	1 631
Net operating surplus from ordinary activities	195	233
Balance as at 30 June	2 059	1 864

## 9. Cash Flow Reconciliation

	2002	2001
	\$'000	\$'000
<b>Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows</b>		
Cash at year end per Statement of Cash Flows	360	156
Statement of Financial Position items comprising above cash	360	156
<b>Reconciliation of operating surplus to net cash from operating activities:</b>		
Net surplus	195	233
Change in assets and liabilities		
Decrease in payables	(1)	(10)
Increase in receivables	(5)	(3)
Movement in investments	15	(106)
Net cash from operating activities	204	114

## 10. Contingent Obligations

The Fund has no contingent obligation.

## 11. Remuneration of Auditors

The amount payable by the Fund for audit services during the reporting period was \$5,000. 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	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
<b>Financial Assets</b>								
Cash at Bank	360	156	-	-	360	156	4.39	5.77
Investments	1 693	1 708	-	-	1 693	1 708	(0.7)	6.5
Receivables	-	-	11	6	11	6		
Total	2 053	1 864	11	6	2 064	1 870		
<b>Financial Liabilities</b>								
Payables	-	-	5	6	5	6		
Total	-	-	5	6	5	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 and Audit Act 1987**, as amended and the Treasurer's Instructions, the financial position of the Second Hand Vehicles Compensation Fund as at 30 June 2002 and the result of its operations and its cash flows for the year ended 30 June 2002, and the internal controls over financial reporting have been effective throughout the reporting period.



M BODYCOAT  
COMMISSIONER FOR CONSUMER AFFAIRS



W SPEHR  
DEPUTY COMMISSIONER OPERATIONS)

October 2002



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 2002. 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 Deputy Commissioner (Operations).

The Commissioner for Consumer Affairs and the Deputy Commissioner (Operations) 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*, Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with my understanding of the Second-hand Vehicles Compensation Fund's financial position, its financial performance 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 Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Second-hand Vehicles Compensation Fund as at 30 June 2002, its financial performance and its cash flows for the year then ended.

25 October 2002

S O'NEILL  
DEPUTY AUDITOR-GENERAL

## Appendix Thirteen

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### Agents Indemnity Fund

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#### Statement of Financial Performance for the year ended 30 June 2002

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	Notes	2002 \$' 000	2001 \$' 000
<b>Revenues from ordinary activities</b>			
Interest	2	4,806	4,858
Other	3	122	93
<b>Total revenues from ordinary activities</b>		<b>4,928</b>	<b>4,951</b>
<b>Expenses from ordinary activities</b>			
Claims	4	1,698	459
Administration		212	186
Professional costs		184	122
Other	5	1,010	173
<b>Total expenses from ordinary activities</b>		<b>3,104</b>	<b>940</b>
<b>Net operating surplus from ordinary activities</b>		<b>1,824</b>	<b>4,011</b>
<b>Equity Interest</b>		1,824	4,011
Net (debit) credit to asset revaluation reserve	9	(1,633)	265
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>		<b>(1,633)</b>	<b>265</b>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b>191</b>	<b>4,276</b>

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

Statement of Financial Position as at 30 June 2002

	Note	2002 \$' 000	2001 \$' 000
<b>CURRENT ASSETS</b>			
<i>Cash on Hand and on Deposit</i>	6	600	3,462
<i>Investments</i>		1,171	526
<i>Receivables</i>	7	152	90
<i>Total Current Assets</i>		<u>1,923</u>	<u>4,078</u>
<b>NON-CURRENT ASSETS</b>			
<i>Investments</i>		23,988	21,497
<i>Total Non-Current Assets</i>		<u>23,988</u>	<u>21,497</u>
<b>TOTAL ASSETS</b>		<u><b>25,911</b></u>	<u><b>25,575</b></u>
<b>CURRENT LIABILITIES</b>			
<i>Payables</i>	8	213	68
<i>Total Current Liabilities</i>		<u>213</u>	<u>68</u>
<b>TOTAL LIABILITIES</b>		<u><b>213</b></u>	<u><b>68</b></u>
<b>NET ASSETS</b>		<u><b>25,698</b></u>	<u><b>25,507</b></u>
<b>EQUITY</b>			
<i>Accumulated Surplus</i>	9	23,946	22,122
<i>Asset Revaluation Reserve</i>	9	1,752	3,385
<b>TOTAL EQUITY</b>		<u><b>25,698</b></u>	<u><b>25,507</b></u>

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

Statement of Cash Flows for the year ended 30 June 2002

		2002 \$'000	2001 \$'000
	Note	Inflows/(Outflows)	Inflows/(Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Interest		3,540	3,697
Other		56	35
<b>Total cash received</b>		<b>3,596</b>	<b>3,732</b>
<b>Cash used</b>			
Claims		(1,720)	(464)
Administration		(212)	(186)
Professional costs		(184)	(130)
Other		(842)	(159)
<b>Total cash used</b>		<b>(2,958)</b>	<b>(939)</b>
<b>Net cash from operating activities</b>	<b>10</b>	<b>638</b>	<b>2,793</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchases of investments		(3,500)	0
<b>Total cash used</b>		<b>(3,500)</b>	<b>0</b>
<b>Net cash provided by investing activities</b>		<b>(3,500)</b>	<b>0</b>
<b>Net (decrease) increase in cash held</b>		<b>(2,862)</b>	<b>2,793</b>
Cash at beginning of the reporting period		3,462	669
<b>Cash at the end of the reporting period</b>	<b>6</b>	<b>600</b>	<b>3,462</b>

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

## Notes to and forming part of the financial statements

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### 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 whom have suffered financial loss as a result of fiduciary default of a land agent or conveyancer and whom have no reasonable prospect of recovering 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 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 from the Australian Taxation Office has been recognised in the Attorney-General's Department's Statement of Financial Position.

#### 1.4 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.

#### 1.5 Financial Instruments

Accounting policies for financial instruments are stated at Note 13.

#### 1.6 Comparative figures

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

#### 1.7 Rounding

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

### 2. Interest

	2002 \$'000	2001 \$'000
<i>Interest for the Fund comprised:</i>		
<i>Interest from Agents &amp; Conveyancers Trust accounts</i>	3 429	3583
<i>Interest on Investments held with Public Trustee</i>	1 275	1 157
<i>Interest on deposits with the Dept of Treasury and Finance</i>	102	1 18
<i>Total Interest</i>	<u>4 806</u>	<u>4858</u>

### 3. Other Revenues

	2002 \$'000	2001 \$'000
<i>Other Revenues for the Fund comprised:</i>		
<i>Management fee recovery</i>	66	58
<i>Sundry recovery</i>	56	35
<i>Total Other Revenues</i>	<u>122</u>	<u>93</u>

### 4. Claims

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

### 5. Other Expenses

	2002 \$'000	2001 \$'000
<i>Other expenses for the Fund comprised:</i>		
<i>Consumer &amp; Agent Education</i>	1 005	156
<i>Audit Fees</i>	5	6
<i>Debt recovery fees</i>	-	5
<i>Other</i>	-	6
<i>Total Other expenses</i>	<u>1 010</u>	<u>173</u>

## 6. Cash on Hand and on Deposit

	2002	2001
	\$'000	\$'000
Special Deposit Account with Reserve Bank	600	3 462
Total Cash on Hand and on Deposit	<u>600</u>	<u>3 462</u>

## 7. Receivables

	2002	2001
	\$'000	\$'000
<b>Current</b>		
Accrued interest	152	90
Total Receivables	<u>152</u>	<u>90</u>

## 8. Payables

	2002	2001
	\$'000	\$'000
<b>Current</b>		
Creditors	207	62
Accruals	6	6
Total Current Payables	<u>213</u>	<u>68</u>

## 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:

	2002	2001
	\$' 000	\$' 000
<b>Accumulated Surplus</b>		
Balance as at 1 July	22 122	18 111
Net operating surplus from ordinary activities	1 824	4 011
Balance as at 30 June	<u>23 946</u>	<u>22 122</u>

	2002	2001
	\$' 000	\$' 000
<b>Asset Revaluation Reserve</b>		
Balance as at 1 July	3 385	3 120
Revaluation Adjustments:-		
Investments	(1 633)	265
Balance as at 30 June	<u>1 752</u>	<u>3 385</u>

Balance as at 30 June is made up of:

Investments	<u>1 752</u>	<u>3 385</u>
Balance as at 30 June	<u>1 752</u>	<u>3 385</u>

## 10. Cash Flow Reconciliation

	2002	2001
	\$'000	\$'000
<b>Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows</b>		
Cash at year end per Statement of Cash Flows	600	3462
Statement of Financial Position items comprising above cash	600	3462
<b>Reconciliation of operating surplus to net cash from operating activities:</b>		
Net surplus	1 824	4 011
Change in assets and liabilities		
Increase in payables	145	1
(Increase) in receivables	(62)	(81)
Movement in investments	(1 269)	(1 138)
Net cash from operating activities	<u>638</u>	<u>2 793</u>

## 11. Contingent Obligations

The Fund has an estimated contingent obligation to pay \$17m 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	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
<b>Financial Assets</b>								
Cash at Bank	600	3462	-	-	600	3462	4.39	5.77
Investments	25 159	22 023	-	-	25 159	22 023	(1.1)	6.5
Receivables			152	90	152	90		
Total	25 759	25 485	152	90	25 911	25 575		
<b>Financial Liabilities</b>								
Payables	-	-	213	68	213	68		
Total	-	-	213	68	213	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 and Audit Act 1987**, as amended and the Treasurer's Instructions, the financial position of the Agents Indemnity Fund as at 30 June 2002 and the result of its operations and its cash flows for the year ended 30 June 2002, and the internal controls over financial reporting have been effective throughout the reporting period.



M BODYCOAT  
COMMISSIONER FOR CONSUMER AFFAIRS



W SPEHR  
DEPUTY COMMISSIONER OPERATIONS)  
October 2002



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 2002. 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 Deputy Commissioner (Operations).

The Commissioner for Consumer Affairs and the Deputy Commissioner (Operations) 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*, Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with my understanding of the Agents Indemnity Fund's financial position, its financial performance 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 Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Agents Indemnity Fund as at 30 June 2002, its financial performance and its cash flows for the year then ended.

28 October 2002

S O'NEILL  
DEPUTY AUDITOR-GENERAL

## Appendix fourteen

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### Retail Shop Leases Fund

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#### Statement of Financial Performance for the year ended 30 June 2002

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	Notes	2,002 \$' 000	2001 \$' 000
Revenues from ordinary activities			
Interest		87	91
Other		5	4
Total revenues from ordinary activities		<u>92</u>	<u>95</u>
Expenses from ordinary activities			
Administration	2	45	80
Other	3	55	6
Total expenses from ordinary activities		<u>100</u>	<u>86</u>
Net operating (Deficit) surplus from ordinary activities		<u>(8)</u>	<u>9</u>
Equity Interest		(8)	9
Net (debit)/credit to asset revaluation reserve	8	(8)	8
Total revenues, expenses and valuation adjustments recognised directly in equity		<u>(8)</u>	<u>8</u>
Total changes in equity other than those resulting from transactions with owners as owners		<u>(16)</u>	<u>17</u>

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

Statement of Financial Position as at 30 June 2002

	Note	2002 \$' 000	2001 \$' 000
<b>CURRENT ASSETS</b>			
<i>Cash on Hand and on Deposit</i>	4	220	126
<i>Investments</i>		356	275
<i>Receivables</i>	5	6	3
<i>Total Current Assets</i>		<u>582</u>	<u>404</u>
<b>NON-CURRENT ASSETS</b>			
<i>Investments</i>		<u>1,291</u>	<u>1,349</u>
<i>Total Non-Current Assets</i>		<u>1,291</u>	<u>1,349</u>
<b>TOTAL ASSETS</b>		<u><b>1,873</b></u>	<u><b>1,753</b></u>
<b>CURRENT LIABILITIES</b>			
<i>Security Bonds lodged</i>	6	189	181
<i>Other current liabilities</i>	7	55	6
<i>Total Current Liabilities</i>		<u>244</u>	<u>187</u>
<b>NON-CURRENT LIABILITIES</b>			
<i>Security Bonds lodged</i>	6	<u>1,522</u>	<u>1,443</u>
<i>Total Non-Current Liabilities</i>		<u>1,522</u>	<u>1,443</u>
<b>TOTAL LIABILITIES</b>		<u><b>1,766</b></u>	<u><b>1,630</b></u>
<b>NET ASSETS</b>		<u><b>107</b></u>	<u><b>123</b></u>
<b>EQUITY</b>			
<i>Accumulated Surplus</i>	8	107	115
<i>Asset Revaluation Reserve</i>	8	-	8
<b>TOTAL EQUITY</b>		<u><b>107</b></u>	<u><b>123</b></u>

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

Statement of Cash Flows for the Year Ended 30 June 2002

	Note	2002 \$'000 Inflows/(Outflows)	2001 \$'000 Inflows/(Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Interest		8	18
Bond lodgement		277	306
<b>Total cash received</b>		<b>285</b>	<b>324</b>
<b>Cash used</b>			
Admin		(1)	(81)
Bond refunds		(190)	(181)
<b>Total cash used</b>		<b>(191)</b>	<b>(262)</b>
<b>Net cash from operating activities</b>	9	<b>94</b>	<b>62</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Payments for Investment		0	(250)
<b>Total cash used</b>		<b>0</b>	<b>(250)</b>
<b>Net cash used in investing activities</b>		<b>0</b>	<b>(250)</b>
<b>Net Increase (Decrease) in cash held</b>		94	(188)
Cash at beginning of the reporting period		126	314
<b>Cash at the end of the reporting period</b>	4	<b>220</b>	<b>126</b>

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

## Notes to and forming part of the financial statements

---

### 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 Employees

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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.

#### 1.4 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 from 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

Comparative figures have been adjusted to conform to changes in presentation in these financial statements where required.

### 1.8 Rounding

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

## 2. Administration

	2002 \$'000	2001 \$'000
Administration expenses for the Fund comprised:		
Employee expenses	38	72
Other Admin expense	7	8
Total Other expenses (1)	45	80

(1) Reimbursement to be paid to the Attorney-General's Department for the cost of administering Part 10 of the *Retail and Commercial Leases Act 1995* is \$51,000 (\$80,000 in 2000/01).

## 3. Remuneration of Auditors

The amount payable by the Fund for audit services during the reporting period was \$5,000. No other services were provided by the Auditor-General.

## 4. Cash on Hand and on Deposit

	2002 \$'000	2001 \$'000
Special Deposit Accounts with Reserve Bank	220	126
Total Cash on Hand and on Deposit	220	126

## 5. Receivables

	2002 \$'000	2001 \$'000
Current		
Accrued interest	6	3
Total Receivables	6	3

## 6. Security Bonds Lodged

	2002 \$'000	2000 \$'000
<b>Current</b>		
<i>Bonds Lodged</i>	189	181
<i>Total Bonds Lodged</i>	189	181
<b>Non Current</b>		
<i>Bonds Lodged</i>	1 522	1 443
<i>Total Bonds Lodged</i>	1 522	1 443

## 7. Other Current Liabilities

	2002 \$'000	2001 \$'000
<b>Current</b>		
<i>Creditor - Attorney-General's Department</i>	50	-
<i>Accruals</i>	5	6
<i>Total Other Current Liabilities</i>	55	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:

	2002 \$' 000	2001 \$' 000
<b>Accumulated Surplus</b>		
<i>Balance as at 1 July</i>	115	106
<i>Net operating (deficit)/surplus from ordinary activities</i>	(8)	9
<i>Balance as at 30 June</i>	107	115
<b>Asset Revaluation Reserve</b>		
<i>Balance as at 1 July</i>	8	-
<i>Revaluation Adjustments:-</i>		
<i>Investments</i>	(8)	8
<i>Balance as at 30 June</i>	-	8
<i>Balance as at 30 June is made up of:</i>		
<i>Investments</i>	-	8
<i>Balance as at 30 June</i>	-	8

## 9. Cash Flow Reconciliation

	2002 \$'000	2001 \$'000
<b>Reconciliation of cash per Statement of Financial Position to Statement of Cash Flows</b>		
Cash at year end per Statement of Cash Flows	220	126
Statement of Financial Position items comprising above cash	220	126
<b>Reconciliation of operating surplus to net cash from operating activities:</b>		
Net (deficit) surplus	(8)	9
Revaluation decrement	50	-
Change in assets and liabilities		
Movement in bonds	87	125
Increase in other current liabilities	49	6
Decrease in receivables	(3)	2
Movement in investments	(81)	(80)
Net cash from operating activities	94	62

## 10. Contingent Obligations

The Fund has no contingent obligations.

## 11. Average Staffing Levels

	2002	2001
The average staffing levels for the business operation during the year were:	1.5	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	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
<b>Financial Assets</b>								
Cash at Bank	220	126	-	-	220	126	4.39	5.77
Investments	1 647	1 624	-	-	1 647	1 624	(1.4)	6.5
Receivables	-	-	6	3	6	3		
Total	1 867	1 750	6	3	1 873	1 753		
<b>Financial Liabilities</b>								
Payables	-	-	55	6	55	6		
Total	-	-	55	6	55	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 2002 and the result of its operations and its cash flows for the year ended 30 June 2002, 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 2002



## 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 2002. 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*, Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with my understanding of the Retail Shop Leases Fund's financial position, its financial performance 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 Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Retail Shop Leases Fund as at 30 June 2002, its financial performance and its cash flows for the year then ended.

28 October 2002

**S O'NEILL**  
**DEPUTY AUDITOR-GENERAL**