

NSW OFFICE OF

Fair Trading

DEPARTMENT OF COMMERCE

for consumers
& traders

Motor Vehicle Repair Industry Authority Annual Report 2006 – 2007

2006-2007

www.fairtrading.nsw.gov.au

Contents

About MVRIA	1
Our Structure	1
Introduction	2
Planning Framework	3
Services to the public	4
Compliance	8
Financial statements	12
Appendices	27
Annual Reporting Compliance	28
Index	29

Access

Location: 239 Great North Road, Five Dock NSW 2046
Postal address: PO Box 213, Five Dock NSW 2046
Office hours: Monday to Friday, 8:30am to 5:00pm
Telephone: (02) 9712 2200
Facsimile: (02) 9712 1432
Email: mvria@mvria.nsw.gov.au
Web: www.mvria.nsw.gov.au

To Parliament

The Hon Linda Burney, MP
Minister for Fair Trading
Minister for Youth, and
Minister for Volunteering
Parliament House Sydney

Dear Ms Burney

I am pleased to present the Annual Report of the Motor Vehicle Repair Industry Authority for the year ended 30 June 2007.

The report has been prepared for presentation to the Parliament of New South Wales in accordance with the requirements of the *Annual Reports (Statutory Bodies) Act 1984*.



Lyn Baker
Commissioner for Fair Trading
29 October 2007

ISSN 1833-0347
New South Wales
Office of Fair Trading
Parramatta NSW Australia
October 2007

About MVRIA

The Motor Vehicle Repair Industry Authority (the Authority) is a state government statutory body responsible for the regulation of the motor vehicle repair industry in New South Wales under the *Motor Vehicle Repairs Act 1980*. The Authority is located within the Office of Fair Trading, which itself is a part of the NSW Department of Commerce.

Our Strategic Priority

Contribute to a fair marketplace in the area of motor vehicle repairs.

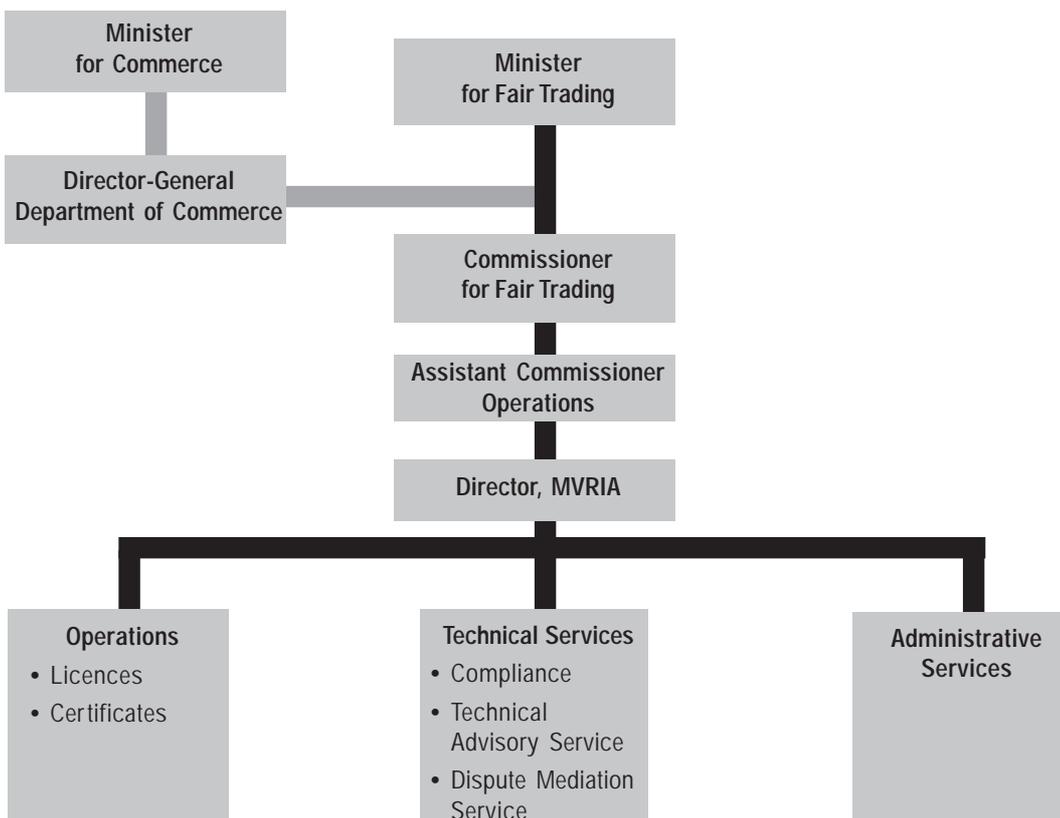
Our Legislation

- The *Motor Vehicle Repairs Act 1980*
- The *Motor Vehicle Repairs Regulation 1999*.

Our Clientele

- Persons carrying on the business of repairing motor vehicles
- Tradespeople who perform repair work
- Consumers of motor vehicle repair services

Our Structure



Introduction

The full integration of the Authority into the Office of Fair Trading was foreshadowed in last year's report and the process was advanced significantly during the reporting period. At the end of the reporting period arrangements had been put in place for a critical phase of the project, the integration of Fair Trading's motor dealer inspectors with the Authority's inspectors.

Once this occurs early in the new reporting period, the Authority will become fully integrated and the new Motor Vehicle Industry Branch can commence. The resultant new systems and structures will allow for more efficient and effective regulation of the motor vehicle industry as a whole and will provide better levels of service to consumers, especially those in rural and regional communities.

Another significant development during the reporting period was the commencement of the integration of the Authority's licences and certificates into the whole-of-government Government Licensing System. Once implemented, motor vehicle repair licence and certificate holders will benefit from the features and efficiencies of the new system which provides for online processing of applications and renewals. The commencement of the new system will also allow the Authority's licensing staff to be fully integrated into Fair Trading, providing improved support, better economies of scale and a more responsive service to traders through Fair Trading's state-wide fair trading centre network.

These changes will coincide with anticipated amendments to the Motor Vehicle Repairs Act 1980 in the next reporting period. The amendments will establish a system of renewable tradesperson's certification, with a greater emphasis being placed on ensuring the trade skills and competence of the applicants. Another significant consumer reform will be the requirement for repairers to fully inform consumers about the cost of repairs and to provide information to them about each party's rights and responsibilities in regards to the repair relationship.

All of the above initiatives will strengthen Fair Trading's regulation of the motor vehicle industry through effective licensing and certification systems and robust enforcement action, as well as providing consumers with a timely and effective dispute mediation service. They are closely aligned to Fair Trading's Strategic Plan objectives and to the goals contained in the Department of Commerce's Corporate Plan. In turn, they contribute to the achievement of the NSW State Plan activities of delivering better services and rights, respect and responsibility.



Lyn Baker
Commissioner for Fair Trading

Planning Framework

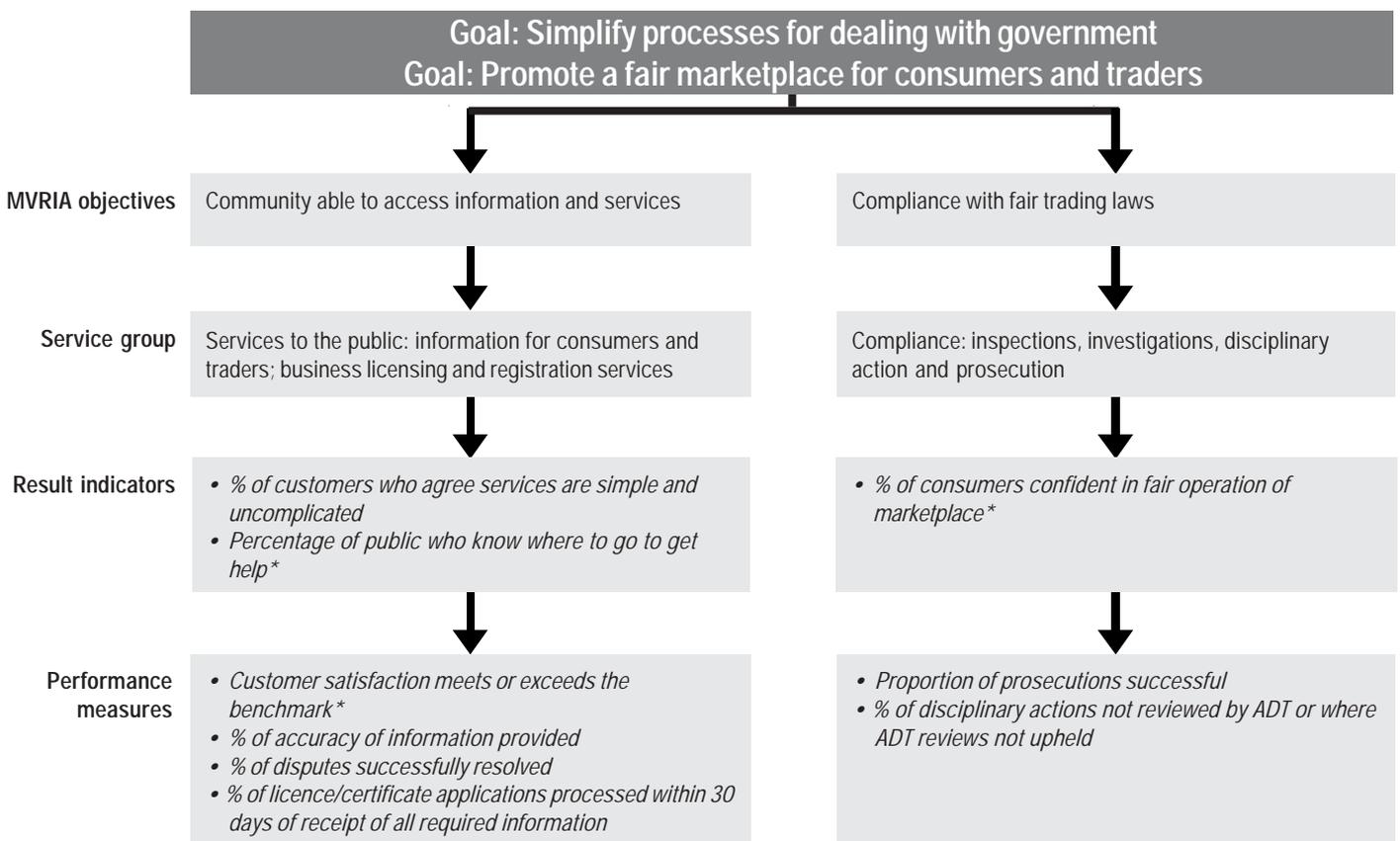
Functioning within the Office of Fair Trading, the Motor Vehicle Repair Industry Authority (MVRIA) derives its operational objectives from the Department of Commerce's Corporate Plan 2006 - 2010, which for Fair Trading establishes two high level goals to support the State Plan activities of Delivering Better Services and Growing Prosperity across NSW:

- Simplify processes for dealing with government
- Promote a fair marketplace for consumers and traders

Within this framework, the Authority's activities work towards two specific objectives:

- Community able to access information and services
- Compliance with fair trading laws

To address the first of these objectives, the Authority provides information by phone, directly from its office, on-line and through publications, and outreach activities. Help is provided via dispute handling services where individual consumers who are in dispute with a repairer over the cost or quality of a repair can get ready access to assistance, without going through a formal process such as a Tribunal hearing. A key function is the licensing of motor vehicle repair industry businesses and tradespeople to ensure appropriate standards for the industry. The Authority addresses the second objective by investigating breaches of the legislation. Enforcement options range from prosecution to disciplinary action such as suspension or cancellation of a licence or the imposition of conditions.



* Relevant services provided as part of OFT's overall services. Results are monitored for services as a whole

Services to the public

Objective: Community able to access information and services

This is the first of the Authority's two objectives that contribute to simplifying processes for dealing with government and promoting a fair marketplace in the area of motor vehicle repairs. Once a fair regulatory framework is in place, which is achieved through the policy and legislative development work of the Office of Fair Trading, it is essential for the community - consumers and traders - to be able to access information on their rights and obligations under that framework, for consumers who are having difficulty acting on their rights to be able to get help and for businesses and tradespeople to have access to an efficient licensing and certification system.

Result indicator

	03-04	04-05	05-06	06-07	Target
% of customers who agree services are simple and uncomplicated*	-	-	-	87%	85%%
% of public who know where to go to get help*	73%	73%	70%	66%	65-70%

* Results are monitored by survey for OFT services as a whole. Survey results valid to $\pm 5\%$ @ 95% level of confidence

Comment/Interpretation

These indicators are measured through surveys conducted independently on behalf of the Office of Fair Trading. Customers' views on the complexity of services concern the contribution that regulatory requirements make to the complexity or otherwise of the services provided. A high level of agreement would indicate customers are generally not troubled by what they may need to do to obtain the service and that regulatory requirements are reasonable and appropriate. A low level of agreement would suggest a need for increased reform efforts - within the context of the regulatory objectives. Its value therefore is as a general indicator that in combination with customer satisfaction and information accuracy survey results, allows Fair Trading to gauge its response to the State Plan goal of customer friendly services with increased customer satisfaction.

The community is unable to access services unless they know where to go. The survey results show the proportion of the general public who knows which government agency to approach for information about, or help with, consumer protection issues. It would be unrealistic to expect 100% community knowledge of OFT services and the target has been set at 65-70%.

Performance measures

	03-04	04-05	05-06	06-07	Target
Customer satisfaction meets or exceeds the benchmark *	89%	87%	90%	90%	≥90%
% of accuracy of information provided *	99%	83%	93%	89%	≥90%
% of disputes successfully resolved	78%	74%	65%	60%	≥70%
% of applications processed within 30 days of receipt of all required information	100%	100%	98%	100%	≥95%

* Results are monitored by survey for OFT services as a whole. Survey results valid to ± 5% @ 95% level of confidence

Comment/Interpretation

We help consumers get a fair go in the vehicle repairs marketplace by providing information on their rights under the *Motor Vehicle Repairs Act 1980*. Fair Trading monitors the quality of information services provided to customers, assessing both customer satisfaction and the accuracy of information provided, through independently conducted annual surveys. The Authority's services are included in both surveys but due to their proportion within the overall sample, the isolation of specific MVRIA results is not appropriate - hence overall Fair Trading results appear above. Individual consumers can also contact us with a complaint, and we will approach the repairer to help the parties reach agreement - offering a speedy result for the consumer and helping cut government costs by reducing the load on the Consumer, Trader and Tenancy Tribunal. The

percentage of disputes successfully resolved fell below target again this year and appears to have been influenced by a change in the mix of simple and difficult disputes, together with a decrease in the number of disputes handled. This will be kept under review in the coming reporting period.

From the perspective of both consumers and repairers, an efficient and effective licensing regime is essential to the viability of the motor repair industry. The Authority continues to surpass its target licensing and certification processing timeframes - demonstrating that the industry is not subject to any administrative or regulatory impediments.

Providing accurate information to consumers and traders

Informing the public about the industry

The Authority aims to increase vehicle owners' understanding of their rights and obligations in respect to motor vehicle repair work and to enable them, as much as possible, to resolve differences with repairers without the need for recourse to more formal avenues. The Authority also aims to raise the awareness of vehicle owners as to the complexity of motor vehicles and the importance of regular maintenance by licensed repairers.

Web site information for motor vehicle owners and repairers

The Authority's web site is a useful source of information for motor vehicle owners and repairers with a range of information related to motor vehicle repairs and dealing with repairers.

Register of licensed repairers and certificate holders

Members of the public are able to telephone the Authority to check the register to ensure that a business they intend using for repair work holds a licence. Repairers are able to check the register to see if tradespeople hold the necessary certificate to be employed to carry out repair work. This information is provided free of charge.

Fact sheets

The Authority has produced a range of fact sheets to inform motor vehicle repairers about their rights and responsibilities in the conduct of their businesses.

Workshop visits by inspectors

All new repair businesses are visited by an inspector as soon as possible after they have commenced business. This provides an opportunity for the requirements of the legislation, fair trading principles and general business fundamentals to be discussed with the licensee, as well as ensuring that the requirements of the *Motor Vehicle Repairs Act* are being complied with.

Providing effective consumer help to the public

Telephone assistance to repairers

The Authority provides a telephone information service to repairers to assist them with questions about repair, regulatory, dispute and business matters.

Liaison with peak industry bodies

The Authority has well-established communications channels with the various peak industry groups to ensure a proper two-way flow of information about issues related to the industry.

Technical advisory service to consumers

The Authority provides a free technical advisory service to motor vehicle owners who have concerns about the cost or quality of motor vehicle repairs. The technical advisory service is staffed by qualified and experienced tradespeople who discuss the issues of concern with the motor vehicle owner. In many cases this discussion is sufficient for the owner to realise that their concern is unfounded or addresses the issue so that further action is not needed.

In other instances the Technical Advisory Officer is able to provide the owner with information to enable them to discuss the dispute with the repairer in an informed manner and to reach a satisfactory outcome.

Where appropriate the Technical Advisory Officer will ring the repairer to discuss the matter. This also often results in a settlement being reached.

Where the matter cannot be resolved and if the owner intends to pursue it further, they are sent a notice of dispute form to formally lodge their dispute with the Authority. The technical advisory service answered approximately 14,900 telephone enquiries during the year.

Dispute mediation

If an owner lodges a notice of dispute with the Authority arrangements are made for a Dispute Mediation Officer to either meet with the owner and repairer or to conduct a tele-conference to try to assist them reach a mutually agreed settlement. This process is free of charge and is entirely voluntary. If a settlement can be reached, the terms of the settlement are recorded in writing and signed by the owner and repairer as evidence of their agreement. The settlement terms can then be referred to in evidence if the matter is taken to another forum such as a Court or the Consumer, Trader and Tenancy Tribunal. During the year 1,265 dispute matters were mediated, with 755 of these being either withdrawn by the owner or settled without the need for any further action. In 510 cases the dispute was not able to be resolved or the owner decided to proceed with a Consumer, Trader and Tenancy Tribunal claim.

Claims to the Consumer, Trader and Tenancy Tribunal

Where a matter cannot be resolved the owner is informed that they can lodge a claim with the Consumer, Trader and Tenancy Tribunal. In these cases the Dispute Mediation Officer provides a report of the matter to both parties, which can be used by the Tribunal in its consideration of the matter.

Contingency fund

If a motor vehicle owner has suffered a loss due to repair work that was incompetent then, subject to certain conditions, the Authority can make a payment from its Contingency Fund to recoup the amount of the loss, up to the maximum amount allowed, which is \$30,000. To be eligible for a Contingency Fund payment the owner must have done everything possible to recover the loss, such as taking debt recovery action through the courts. During the reporting period 17 owners were paid a total of \$91,899 from the Contingency Fund.

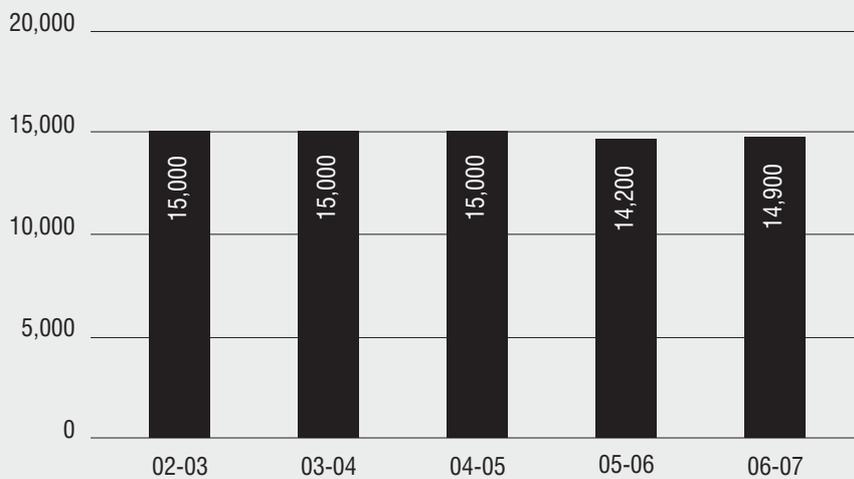
Monitoring repairers' dispute histories

The Authority reviews the dispute files of any repairer who has had three or more disputes in the previous twelve months.

Where the nature of the disputes suggests that either the standard of repair work needs improvement, the costs appear unreasonably high

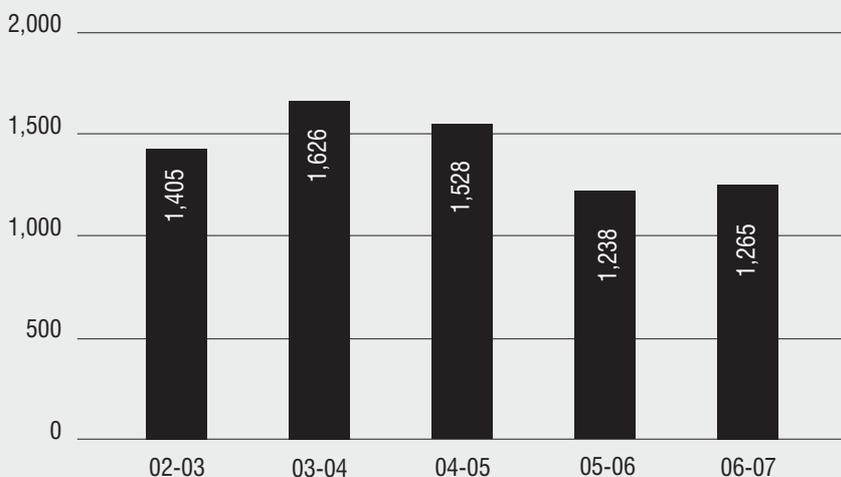
or the repairer has poor customer relations skills, the matters are discussed with the repairers in question and their conduct is then kept under review. This process is successful in reducing disputes.

Technical advisory telephone enquiries



Although increasing numbers of customers are using the Authority's website, demand for traditional contact methods remain high.

Formal disputes handled per year



The number of formal disputes handled each year is demand driven.

Compliance

Objective: Compliance with fair trading laws

The Authority strives for compliance with fair trading laws through a range of enforcement activities that include inspection programs as well as investigations that arise from inspections or from specific consumer complaints. Enforcement options range from prosecution to disciplinary action such as suspension or cancellation of a licence or the imposition of conditions.

Result indicator

	03-04	04-05	05-06	06-07	Target
% of consumers confident in fair operation of marketplace*	70%	71%	69%	73%	68-74%

* Results are monitored by survey for OFT services as a whole. Survey results valid to $\pm 5\%$ @ 95% level of confidence

Comment/Interpretation

Consumer confidence, which we measure through an independently conducted survey, is a recognised proxy measure used in several jurisdictions to assess marketplace fairness, but it is impacted by the activities of many agencies across jurisdictions. Results can be affected by major events, including those interstate or overseas, during or just prior to the survey. The aim is to

maintain levels in a target range comparable to other similar jurisdictions (68-74%). It is highly unlikely that much higher results would ever be achieved given marketplace complexity but subject to above qualifications, significant drops would trigger further marketplace analysis to examine whether the results reflect an issue of concern.

Performance measures

	03-04	04-05	05-06	06-07	Target
Proportion of prosecutions successful	100%	100%	100%	100%	$\geq 95\%$
% disciplinary actions not reviewed by ADT or where ADT reviews not upheld	100%	100%	100%	100%	$\geq 95\%$

Comment/Interpretation

Good service level measures for compliance work are quite hard to develop. Currently we monitor successful prosecutions - those that result in conviction, as well as those where the offence is proven but a conviction is not recorded. This measure reports the outcome of enforcement through the courts in matters where the Authority is satisfied, as a result of investigation, that significant legislative breaches have occurred. Although this is a service-level measure, the results are not completely within our control as the outcomes depend not just on the cases prepared by the Authority, but on Court decisions.

The Authority measures the quality of its disciplinary action by the percentage of its actions that are challenged in the Administrative Decisions Tribunal. That any such reviews have not been upheld in the past five years indicates the Authority's disciplinary processes meet high standards of professionalism and thoroughness.

Licensing of motor vehicle repair businesses

Motor vehicle owners have a legitimate expectation that repairs to their motor vehicles will be carried out to proper trade standards and at a fair cost.

The core strategy to achieve this is the monitoring and enforcement of licensing and certification requirements and repair standards. This requires repair businesses to perform work to proper trade standards from a fixed or mobile workshop and to employ qualified tradespeople for the repair work undertaken.

All motor vehicle repair businesses in New South Wales must hold a repairer's licence for the class or classes of repair work that they perform.

To be granted a licence operators must be fit and proper, must have sufficient financial and material resources to carry on the business and must employ suitably qualified tradespeople to perform the repair work. At the end of the reporting period there were 12,327 licences in force. During the year 1,463 applications for licences were received.

Certification of tradespeople

The *Motor Vehicle Repairs Act* requires motor vehicle repair businesses and commercial vehicle owners to employ tradespeople who are suitably qualified to perform the type of repair work carried on by the business. These tradespeople are required to hold tradespersons' certificates issued by the Authority.

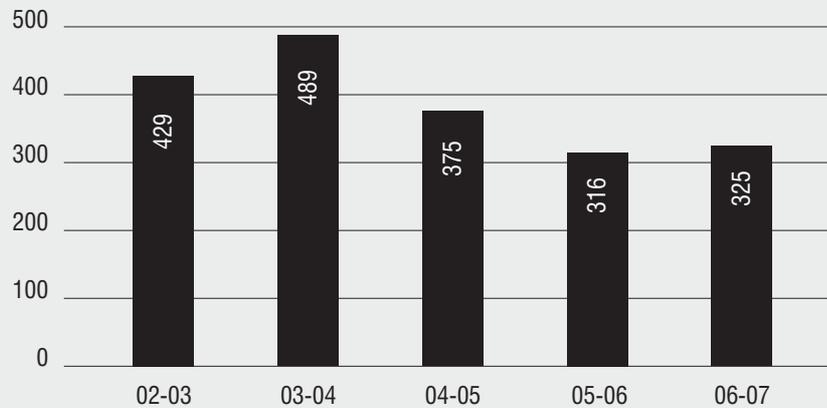
The completion of an apprenticeship or traineeship for the particular work performed is the most common qualification used to support an application for a tradesperson's certificate. People who do not have formal qualifications may be granted a provisional tradesperson's certificate, to allow them to work in the industry while they gain the necessary skills and qualifications to be granted a full certificate.

Provisional certificates are usually granted for a specific period of time and may also be subject to certain conditions or restrictions, such as limiting the range of work that can be performed, or requiring the person to work under supervision. During the reporting period 3,152 applications for tradesperson certificates were received.

Licences by Classes of Repair Work	05/06	06-07
Automotive electrician fixed workshop	854	845
Automotive electrician mobile workshop	154	211
Body maker	497	488
Brake mechanic	386	368
Exhaust repairer	326	307
Front end specialist	537	509
Liquefied petroleum gas mechanic	613	839
Motor cycle mechanic	471	484
Motor mechanic fixed workshop	7,682	7,893
Motor mechanic mobile workshop	916	1,106
Natural gas mechanic	37	48
Panel beater	2153	2,189
Radiator repairer	244	241
Transmission specialist	475	441
Vehicle painter fixed workshop	1824	1,826
Vehicle painter mobile workshop	150	151
Total	17,319	17,946

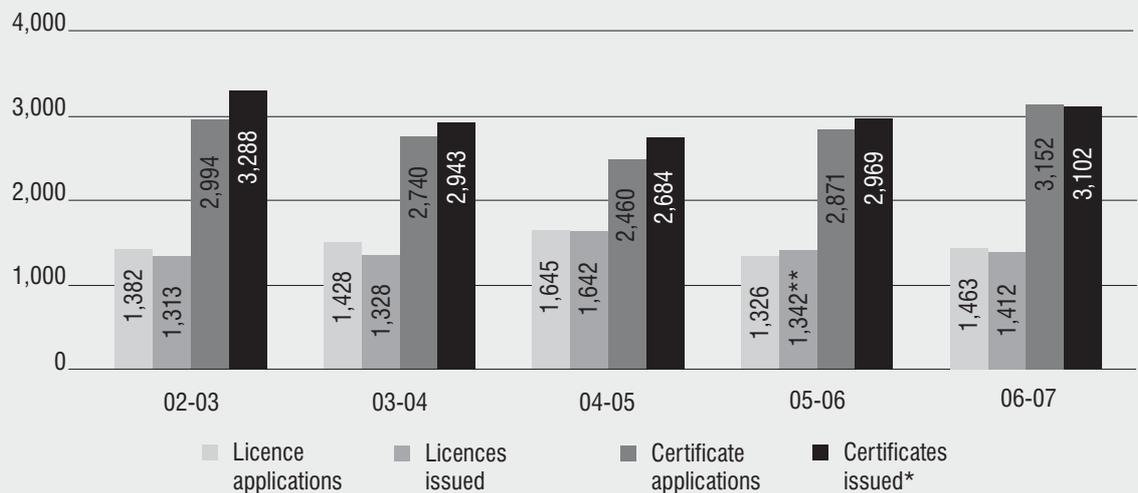
Note: the number of licensed classes of work is greater than the number of current licences because they can be issued for more than one class of repair work.

Unlicensed work complaints



Complaints about unlicensed repair work are initiated by members of the public and the vehicle repair trade itself. They fluctuate according to marketplace activity.

Licence/certificate applications received and issued



* Some certificate applications involve the issuing of more than one certificate - first as a provisional certificate and then as a full certificate.

** The licence issued figure includes some applications received in the previous reporting period and granted in 2006 - 2007.

Disciplinary action against repairers

Disciplinary action can be taken against repairers and tradespeople due to the way they conduct their business or the repair work they perform.

The most common grounds for disciplinary action is where the trade work of a repair business is below usual trade standard or where the business is being carried on in a dishonest or unfair manner.

Nineteen formal disciplinary matters were considered during the year. The majority of matters related to repair work that had been performed to below the usual trade standard. In seven matters the licence holder's licence was cancelled and three people relating to these licences were also disqualified for a period of five years each from being concerned in the direction, management or conduct of a repair business.

In two other matters the tradesperson's certificate was cancelled and two holders surrendered their tradesperson's certificates after disciplinary action had commenced. Reprimands were also issued in relation to six matters and after further investigation one matter was withdrawn where a show cause notice had been issued to the holder. One matter was still under consideration at the end of the reporting period.

Prosecution of offences

It is an offence under the *Motor Vehicle Repairs Act* to conduct a motor vehicle repair business without holding a licence for the class or classes of repair work performed or to employ uncertificated people to perform repair work. The Authority receives many complaints about alleged unlicensed repair work. The Authority investigates these complaints and except in the case of anonymous complaints informs the complainant about the outcome of the investigation.

In the majority of cases there is no breach of the Act, as the repair work being done is not the carrying on of a business, but is being done by an owner on his or her own vehicle or vehicles, or those of family members.

During the reporting period the Authority received 325 complaints about possible breaches of the Act. As in past years on investigation the majority of these complaints proved to be unfounded. As a result of its investigations the Authority prosecuted 22 people for a total of 32 offences.

The offences related to the carrying on or advertising the business of motor vehicle repairer without a licence and the employment of uncertificated tradespeople and the failure to produce records to the Authority. All matters were found proven and a total of \$29,759 was awarded in fines and costs.

Prosecutions and disciplinary actions	02-03	03-04	04-05	05-06	06-07
Number of prosecutions	10	5	10	9	22
Number of disciplinary actions	4	4	2	12	19



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Motor Vehicle Repair Industry Authority

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Motor Vehicle Repair Industry Authority (the Authority), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Authority as of 30 June 2007, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

The General Manager's Responsibility for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating the overall presentation of the financial report.

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

My opinion does *not* provide assurance:

- about the future viability of the Authority
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



M P Abood, CPA
Director, Financial Audit Services

22 October 2007
SYDNEY

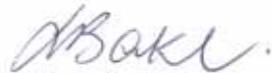
STATEMENT BY COMMISSIONER

In accordance with Section 41 C of the Public Finance and Audit Act, 1983, I state that:

1. The accompanying Financial Statements exhibit a true and fair view of the financial position of the Motor Vehicle Repair Industry Authority as at 30 June 2007 and the transactions for the period then ended.
2. The statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit (General) Regulation, 2005 and the Treasurer's Directions.

Further, I am not aware of any circumstances that would render any particulars included in the Financial Statements to be misleading or inaccurate.

On behalf of the Authority



LYN BAKER
Commissioner for Fair Trading,
Office of Fair Trading

Dated 19 October 2007 at Sydney



MOTOR VEHICLE REPAIR INDUSTRY AUTHORITY
Income Statement
for the year ended 30 June 2007

	Notes	2007 \$	2006 \$
Revenue			
Fees from Regulatory Activities		2,860,819	2,653,452
Interest on Investments		267,934	222,501
Other		<u>12,829</u>	<u>3,981</u>
Total revenue from ordinary activities	1(d)	<u>3,141,582</u>	<u>2,879,934</u>
Less:			
Expenditure			
Administration Charge	5	2,437,995	2,273,778
Audit Fees	4	21,100	20,100
General Expenses		998	6,078
Loss on Disposal of Fixed Assets	6	-	20,160
Depreciation & Amortisation	1(j), 9	19,375	64,308
Education & Research Fund Expenditure	2	63,043	85,852
Contingency Fund Payments	3	<u>91,388</u>	<u>30,955</u>
Total expenditure from ordinary activities		<u>2,633,899</u>	<u>2,501,231</u>
Surplus / (Deficit) from ordinary activities		<u>507,683</u>	<u>378,703</u>

The accompanying notes form part of these financial statements.

MOTOR VEHICLE REPAIR INDUSTRY AUTHORITY
Balance Sheet
as at 30 June 2007

	Notes	2007	2006
		\$	\$
ASSETS			
Current Assets			
Cash and Cash Equivalents	1(k), 7	4,671,048	4,827,727
Receivables	8	<u>2,110</u>	<u>-</u>
Total Current Assets		<u>4,673,158</u>	<u>4,827,727</u>
Non-Current Assets			
Property, Plant and Equipment			
- Land		1,450,000	1,450,000
- Buildings		736,250	755,625
- Plant and Equipment		<u>-</u>	<u>106,951</u>
Total Property, Plant and Equipment	1(g), 9	<u>2,186,250</u>	<u>2,312,576</u>
Total Non-Current Assets		<u>2,186,250</u>	<u>2,312,576</u>
Total Assets		<u>6,859,408</u>	<u>7,140,303</u>
LIABILITIES			
Current liabilities			
Creditors & Accruals	10	<u>852,261</u>	<u>1,533,888</u>
Total Current Liabilities		<u>852,261</u>	<u>1,533,888</u>
Total Liabilities		<u>852,261</u>	<u>1,533,888</u>
Net Assets		<u><u>6,007,147</u></u>	<u><u>5,606,415</u></u>
EQUITY			
Reserves		1,744,476	1,744,476
Accumulated funds		<u>4,262,671</u>	<u>3,861,939</u>
Total Equity	14	<u><u>6,007,147</u></u>	<u><u>5,606,415</u></u>

The accompanying notes form part of these financial statements.

MOTOR VEHICLE REPAIR INDUSTRY AUTHORITY
Cash Flow Statement
for the year ended 30 June 2007

	Notes	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Payments to suppliers and employees		(3,298,261)	(2,035,540)
Total Payments		<u>(3,298,261)</u>	<u>(2,035,540)</u>
Receipts			
Regulatory Fees		2,860,819	2,653,452
Interest Received		267,934	222,501
Other		<u>12,829</u>	<u>3,981</u>
Total Receipts		<u>3,141,582</u>	<u>2,879,934</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	13	<u>(156,679)</u>	<u>844,394</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant, equipment and building		-	(12,417)
Less proceeds from sale of plant & equipment		<u>-</u>	<u>129,361</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>-</u>	<u>116,944</u>
NET INCREASE / (DECREASE) IN CASH		(156,679)	961,338
Opening cash and cash equivalents		<u>4,827,727</u>	<u>3,866,389</u>
CLOSING CASH AND CASH EQUIVALENTS	7	<u><u>4,671,048</u></u>	<u><u>4,827,727</u></u>

The accompanying notes form part of these financial statements.

MOTOR VEHICLE REPAIR INDUSTRY AUTHORITY
Statement of Recognised Income and Expense
year ended 30 June 2007

	Notes	2007 \$	2006 \$
Total Income and Expense Recognised Directly in Equity	1(n)	(106,951)	-
Surplus / (Deficit) for the year		<u>507,683</u>	<u>378,703</u>
Total Income and Expense Recognised For the Year	14	<u><u>400,732</u></u>	<u><u>378,703</u></u>

The accompanying notes form part of these financial statements.

MOTOR VEHICLE REPAIR INDUSTRY AUTHORITY

Notes to and Forming Part of the Financial Statements for the year ended 30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Reporting Entity*

The Motor Vehicle Repair Industry Authority as a reporting entity comprises all activities under its control. The administrative functions of the Authority are now performed by the Department of Commerce.

The Authority is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. This financial report for the year ended 30 June 2007 has been authorised for issue by the Commissioner for Fair Trading on 19 October 2007.

(b) *Basis of Preparation*

The financial report is a general-purpose financial report which has been prepared on a going concern, accrual and historical cost basis (except as otherwise stated) to exhibit a true and fair view of the financial position and transactions of the Authority in accordance with:

- Applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS));
- Australian Accounting Interpretations, and;
- The requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005* and the Financial Reporting Directions issued by the Treasurer under Section 9(2)(n) of the Act.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

In the absence of a specific accounting standard, other authoritative pronouncements of the Australian Accounting Standards Board or Interpretations, the hierarchy of other pronouncements as outlined in AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* is considered.

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets held for trading and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

Judgement, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements. All amounts are expressed in Australian currency.

The following is a summary of the material accounting policies adopted by the Authority in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(c) *Statement of Compliance*

The financial report and notes comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AEIFRS).

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative. NSW Treasury has mandated not to early adopt any of the new Standards / Interpretations, as per Treasury Circular TC 07/07. Therefore, these new Standards / Interpretations have not been adopted by Motor Vehicle Repair Industry Association for the 2006/07 accounts. The following is a list of these standards:

- AASB 7 & AASB 2005-10 regarding financial instrument disclosures;
- AASB 8 & AASB 2007-3 regarding operating segments;
- AASB 101 (Oct 2006) regarding presentation of financial statements;
- AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs;
- AASB 1049 regarding the general government sector and GFS/GAAP convergence;
- AASB 2007-4 regarding Australian additions to and deletions from IFRSs;
- AASB 2007-5 regarding inventories held for distribution by not-for-profit- entities;
- Interpretation 4 (Feb 2007) regarding determining whether an arrangement contains a lease;

- Interpretation 10 regarding interim financial reporting;
- Interpretation 11 & AASB 2007-1 regarding group and Treasury share transactions;
- Interpretation 12 & AASB 2007-2 regarding service concession arrangements;
- Interpretation 129 (Feb 2007) regarding service concession disclosures.

It is considered that the implementation of these Standards will not have any material impact on the Motor Vehicle Repair Industry Authority's financial results.

(d) Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Income is recognised when the Authority has the right to receive consideration; it is probable that an economic benefit will flow to the Authority and when the amount of revenue can be measured reliably. Investment revenue is recognised as it accrues, using the effective interest method as set out in AASB 139 *Financial Investments: Recognition and Measurement*.

(e) Provisions for Personnel Services

The Motor Vehicle Repair Industry Authority has had no employees since March 2005 and therefore no provision is needed for employee entitlements. Authority staff are employees of the NSW Department of Commerce and the Department is liable for employee benefits.

(f) Insurance

The Authority's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claim experience.

(g) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation. The cost method of accounting is used for the initial recording of all acquisitions. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Assets acquired at no cost or for nominal consideration are initially recognised as assets and revenues at their fair values at the date of acquisition.

Items of plant and equipment costing \$2,000 and above individually are capitalised on a cost basis.

(h) Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 05-3). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*, and AASB 140 *Investment Property*.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling process for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

Each class of physical non-current assets is revalued at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 1 July 2005 and was based on independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated. For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset

previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as revenue in the surplus / deficit.

Revaluation decrements are recognised immediately as expenses in the surplus / deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve. As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

When an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(i) Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, the Authority is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(j) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding land, is depreciated on a straight line basis over their useful lives to the Authority commencing from the time the asset is held ready for use. In accordance with AASB 5 Assets Held For Sale are not depreciated. The Authority does not own intangible assets. The depreciation rates used for each class of assets are:

Class of fixed asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	25.0%
Motor Vehicles	15.0%

(k) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash on hand, cash at bank and the T-Corp Cash facility. The Authority does not have any bank overdraft facility.

(l) Payables – Year ended 30 June 2007

These amounts represent liabilities for goods and services provided to the Authority and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(m) Accounting for the Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where:

- (i) The amount of GST incurred by the Authority 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.
- (ii) Receivables and payables are stated with the amount of GST included.

(n) Equity Transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs / functions and parts thereof between NSW public sector agencies are designated as a contribution by owners and recognised as an adjustment to “Accumulated Funds”. This treatment is consistent with Interpretation 1038 “Contributions by Owners Made to Wholly Owned Public Sector Entities”.

Transfers arising from an administrative restructure between Government departments are recognised at the amount at which the asset was recognised by the transferor Government department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

(o) **Comparative Information**

Where necessary, previous year figures have been reclassified to facilitate comparison.

2. GENERAL AND EDUCATION & RESEARCH FUNDS

As prescribed by the *Motor Vehicle Repairs Act 1980*, the Authority maintains three separate funds, namely the General Fund, Education and Research Fund and a Contingency Fund. Assets belonging to the Education and Research Fund are consolidated with the General Fund as follows:

	2007	2006
	\$	\$
Opening Balance	54,692	54,692
Add contribution from General Fund	63,043	85,852
	<u>117,735</u>	<u>140,544</u>
Less:		
Expenditure	63,043	85,852
Total Expenditure for the Fund	<u>63,043</u>	<u>85,852</u>
Closing Balance	<u>54,692</u>	<u>54,692</u>
Represented by:		
Cash	54,692	54,692
Total Assets	<u>54,692</u>	<u>54,592</u>
Less Accrued Expenses	-	-
Closing Balance	<u>54,692</u>	<u>54,692</u>

3. CONTINGENCY FUND EXPENDITURE

During the year the Contingency Fund was used to pay compensation claims totalling \$91,388 (\$30,955 in 2005-06).

4. AUDIT FEES

The Audit Office of NSW's fee for auditing the Authority's financial statements for 2006-07 was \$21,100(\$20,100 in 2005-06).

5. ADMINISTRATION CHARGE

As mentioned in Note 1(a), the Department of Commerce has applied an Administrative Services Charge for the recovery of those expenses it has incurred on behalf of the Motor Vehicle Repair Industry Authority.

	2007	2006
	\$	\$
Personnel Services	1,768,000	1,615,556
Operating Costs	214,240	204,222
Administrative Costs	258,000	261,000
Service & Legal Expenses	128,000	119,000
Information Call Centre Expenses	-	36,000
Minister/Executive Expenses	29,000	22,000
Policy Expenses	4,000	5,000
Corporate Overhead	15,000	3,000
Fit out charges	-	5,000
Minor Capital Expenditure	21,755	3,000
	<u>2,437,995</u>	<u>2,273,778</u>

6. PROFIT / (LOSS) ON DISPOSAL OF FIXED ASSETS

	2007	2006
	\$	\$
Proceeds from Sale of Assets	-	129,361
Less Written Down Value of Assets Sold	-	(149,521)
Net Gain / (Loss) on disposal of Fixed Assets	<u>-</u>	<u>(20,160)</u>

During the year, assets utilised by Staff with a Written Down Value of \$106,951 were transferred to the Department of Commerce.

7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2007 Book Value	2007 Market Value	2006 Book Value	2006 Market Value
	\$	\$	\$	\$
Cash at Bank	222,676	222,676	56,361	56,361
NSW Treasury Corp	4,448,372	4,448,372	4,771,366	4,771,366
	<u>4,671,048</u>	<u>4,671,048</u>	<u>4,827,727</u>	<u>4,827,727</u>

Reconciliation of Cash

For the purposes of the Cash Flow Statement, cash includes cash on hand, cash at bank, and deposits with the NSW Treasury Corporation (T-Corp) Hour Glass Cash Facility. Cash and cash equivalent assets recognised in the Balance Sheet are reconciled at the end of the financial year to the Cash Flow Statement as follows:

	2007 \$	2006 \$
Cash at Bank and on Hand	222,676	56,361
T-Corp Hour Glass Cash Facility	4,448,372	4,771,366
Closing Cash and Cash Equivalents (as per Cash Flow Statement)	<u>4,671,048</u>	<u>4,827,727</u>

Weighted Average Effective Interest Rate was 6.55% for 2007 (5.69% 2006)

8. CURRENT ASSETS - RECEIVABLES

	2007 \$	2006 \$
Current Tax Credits	2,110	-
	<u>2,110</u>	<u>-</u>

9. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	Land \$	Buildings \$	Plant \$	Total \$
At 1 July 2006				
At Fair Value	1,450,000	775,000	188,639	2,413,639
Accumulated depreciation and impairment	-	(19,375)	(81,688)	(101,063)
Net Carrying Amount	<u>1,450,000</u>	<u>755,625</u>	<u>106,951</u>	<u>2,312,576</u>
At 30 June 2007				
At Fair Value	1,450,000	775,000	-	2,225,000
Accumulated depreciation and impairment	-	(38,750)	-	(38,750)
Net Carrying Amount	<u>1,450,000</u>	<u>736,250</u>	<u>-</u>	<u>2,186,250</u>

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land \$	Buildings \$	Plant \$	Total \$
Year ended 30 June 2007				
Net carrying amount at start of year	1,450,000	755,625	106,951	2,312,576
Additions	-	-	-	-
Transfer of Assets to the Department of Commerce at WDV	-	-	(106,951)	(106,951)
Depreciation expense	-	(19,375)	-	(19,375)
Net carrying amount at end of year	<u>1,450,000</u>	<u>736,250</u>	<u>-</u>	<u>2,186,250</u>

	Land \$	Buildings \$	Plant \$	Total \$
At 1 July 2005				
At Fair Value	1,450,000	775,000	376,661	2,601,661
Accumulated depreciation and impairment	-	-	(87,673)	(87,673)
Net Carrying Amount	<u>1,450,000</u>	<u>775,000</u>	<u>288,988</u>	<u>2,513,988</u>
At 30 June 2006				
At Fair Value	1,450,000	775,000	188,639	2,413,639
Accumulated depreciation and impairment	-	(19,375)	(81,688)	(101,063)
Net Carrying Amount	<u>1,450,000</u>	<u>755,625</u>	<u>106,951</u>	<u>2,312,576</u>
Year ended 30 June 2006				
Net carrying amount at start of year	1,450,000	775,000	288,988	2,513,988
Additions	-	-	12,417	12,417
Disposals	-	-	(149,521)	(149,521)
Net revaluation increment less revaluation decrements	-	-	-	-
Depreciation expense	-	(19,375)	(44,933)	(64,308)
Net carrying amount at end of year	<u>1,450,000</u>	<u>755,625</u>	<u>106,951</u>	<u>2,312,576</u>

10. CURRENT / NON-CURRENT LIABILITIES - CREDITORS & ACCRUALS

	2007 \$	2006 \$
Creditors & Accruals	<u>852,261</u>	<u>1,533,888</u>
	<u>852,261</u>	<u>1,533,888</u>

Since 9 March 2005, the Authority's staff have been employees of the NSW Department of Commerce, in accordance with the *Public Sector Employment and Management (Motor Vehicle Repair Industry Authority) Order 2005* and therefore all employee related provisions are assumed by the Crown or the Department of Commerce. The Current / Non-Current Liabilities Provisions, includes Long-Service Leave of \$640,283 and Annual Leave of \$137,406 from 2004/05 to be transferred and paid to Treasury and Department of Commerce respectively.

11. COMMITMENTS FOR EXPENDITURE

There are no commitments for capital or other expenditure or commitments for leases at balance date.

12. CONTINGENT ASSETS AND LIABILITIES

The Authority and solicitors acting for the Authority are unaware of any matter or event that may give rise to future economic sacrifice or benefit.

13. CASH FLOW STATEMENT

Reconciliation of Surplus/(Deficit) to Cash Flow from Operating Activities

	2007 \$	2006 \$
Surplus / (Deficit)	507,683	378,703
Non-cash flows in result		
Depreciation	19,375	64,308
Loss on sale of non-current assets	-	20,160
Changes in assets and liabilities		
(Decrease) / Increase in Creditors	(681,627)	370,237
(Increase) / Decrease in Receivables	(2,110)	10,986
Net Cash flows from Operating Activities	(156,679)	844,394

14. CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2007 \$	2006 \$	2007 \$	2006 \$	2007 \$	2006 \$
Balance at the beginning of the financial year	3,861,939	1,873,301	1,744,476	1,744,476	5,606,415	3,617,777
Correction of errors 15	-	1,609,935	-	-	-	1,609,935
Restated Opening Balance	3,861,939	3,483,236	1,744,476	1,744,476	5,606,415	5,227,712
Changes in equity - other than transactions with owners as owners	(106,951)	-	-	-	(106,951)	-
Surplus/(deficit) for the year	507,683	378,703	-	-	507,683	378,703
Other increases/ (decreases)	-	-	-	-	-	-
Total	400,732	378,703	-	-	400,732	378,703
Balance at the end of the financial year	4,262,671	3,861,939	1,744,476	1,744,476	6,007,147	5,606,415

15. PRIOR PERIOD ERRORS

On 9 March 2005, the Authorities staff were transferred to the NSW Department of Commerce, in accordance with the *Public Sector Employment and Management (Motor Vehicle Repair Industry Authority) Order 2005*. From that point the Authority paid an administrative services charge to Commerce that included a charge for personnel services provided. The Administrative Service Charge included a component for Superannuation, Annual Leave and Long Service Leave.

Of the Authorities employee liabilities/provisions that existed at 9 March 2005, the superannuation provision of \$1,892,123 was to be taken over by the Department of Commerce and the Crown and a restructure equity adjustment entered. The Long Service Leave and Annual Leave liabilities at 9 March 2005 were amounts owed to the Department of Commerce.

In the 2005/06 Financial Statements, the 2004/05 Liability was amended to reflect the changes of the introduction of AEIFRS. This adjustment incorrectly included a Superannuation liability of \$1.6M at 30 June 2005. That error has been corrected against the opening 2005/06 Accumulated Funds.

The 2004/05 Financial Statements also incorrectly classified the amounts owed to Commerce for Long Service Leave (\$640,283.19) and Annual Leave (\$137,406.19) as provisions. These have now been classified as Creditors in the 2006/07 financial report (current and comparative columns).

(a) **The Employee Entitlements related to the following financial years.**

Financial Year	Note	\$
2004/2005		1,609,935
2005/2006		-
Total Adjustment		1,609,935

(b) The following adjustments have been made to the 2006/07 Financial Statements and the 2005/06 comparatives.

	Note	2007 \$,000	2006 \$,000
Current/Non Current Liabilities - Creditors & Accruals			
Original Amount		-	1,936,331
Adjustment		-	(402,443)
Revised Amount		-	1,533,888
Current/Non Current Liabilities - Provisions			
Original Amount		-	1,207,492
Adjustment		-	(1,207,492)
Revised Amount		-	-
Accumulated Funds			
Original Amount		-	2,252,004
Adjustment	14	-	1,609,935
Revised Amount		-	3,861,939

16. AFTER BALANCE DATE EVENTS

The Motor Vehicle Repair Industry Authority is not aware of any other circumstances that occurred after balance date that would render particulars included in the financial statements to be misleading.

End of Audited Financial Statements

Appendices

1. Annual report production details

- There were no external costs incurred in the production of this report. No consultant was used in the production of the report.
- The report is available at the Office of Fair Trading's website (www.fairtrading.nsw.gov.au).

2. Consultants

No consultants were engaged during the reporting period.

3. Credit card certification

No credit cards are issued or used within MVRIA.

4. Disposal of land

No land was disposed of during the reporting period.

5. Fees

The various fees associated with licences and certificates were increased once during the reporting period, on 1 July 2006, to take account of the 2.51% CPI increase since the previous increase in July 2005.

Repairers' Licences from 1 July 2006 - 30 June 2007

- \$379 for a new licence application, and an additional \$171 for each static or mobile workshop (\$550 in total for one workshop).
- \$264 for a new licence where the applicant held a licence which lapsed within the previous 12 months.
- \$171 annual fee for a licence to continue in force.
- \$62 for an application to amend a licence where a physical inspection of the premises is required, with a further fee of \$62 for each subsequent inspection.

Tradespersons' Certificates

- \$53 for a tradesperson's certificate from 1 July 2006 - 30 June 2007.

6. Investment management performance

The Authority uses the NSW Treasury Corporation's Hour Glass 'Cash' investment facility to invest its surplus cash. The performance comparison for the

period was 6.41% against the 6.42% benchmark provided by the Australia Bank Bill index. Cash movement during the period was as follows:

September 2006	\$4.28M
December 2006	\$3.57M
March 2007	\$3.97M
June 2007	\$4.45M

7. Legislative change

Motor Vehicle Repairs Amendment (Fees) Regulation 2006. This regulation was made to amend certain fees charged in respect to repairers licences and tradespersons certificates and commenced on 1 July 2006.

Fair Trading Amendment Act 2006. Provisions contained in this Act amended the *Motor Vehicle Repairs Act 1980* to abolish the Council of the Motor Vehicle Repair Industry Authority.

8. Major problems and issues and economic and other factors

In accordance with the Annual Reports legislation it is disclosed that there were no major problems encountered during the reporting period, nor were there any adverse economic or other factors that affected the operation of the Authority.

9. Management activities and structure

In accordance with the Annual Reports legislation it is disclosed that during the reporting period there was no formal internal or external performance review of the practices or organisational achievements of the Authority.

The responsibility for the day-to-day management of the Authority is with the Director, Anthony Tarplee. The position is at Senior Executive Service level 2.

10. Overseas travel

No overseas travel was undertaken during the year.

Compliance

with annual reporting requirements

Key:

- n/a - items not applying due to Authority's size and nature of operations
- C - covered in the Department of Commerce Annual Report 2006-2007.

Requirement	Reference
Letter of submission to Minister	Inside front cover
Application for extension of time	n/a
Charter	1
Aims & objectives	3
Access	Inside front cover
Management and structure	1
Summary review of operations	4-11
Funds granted to non-government community organisations	C
Legal change	27
Economic or other factors	27
Management & activities	4-11
Research & development	n/a
Human resources	C
Consultants	27
Equal employment opportunity	C
Disability plans	C
Land disposal	27
Promotion	C
Consumer response	C
Guarantee of service	C
Payment of accounts	C
Time for payment of accounts	C
Risk management and audit	C
Disclosure of controlled entities	n/a
Ethnic affairs priorities statements and any agreement	C
NSW Government action plan for women	C
Occupational health and safety	C
Waste reduction	C
Budgets	15
Financial statements	15
Code of conduct	C
After balance events	n/a
Report production and availability	27, this page
Investment performance	27
Liability management performance	24
Exemptions	n/a
Performance and numbers of executive officers	C
<i>Freedom of Information Act</i>	C
Implementation of price determination	n/a
Privacy management plan	C
Program evaluation results	n/a
Departures from <i>Subordinate Legislation Act</i>	n/a
Government energy management policy	C
Electronic service delivery	C
Credit card certification	27

Availability

This annual report is available electronically through the Office of Fair Trading web site.

Index

Accurate information	5
Agency performance	4, 8
Certification	9
Complaints	10
Consumer, Trader & Tenancy Tribunal	6
Contingency fund	6
Customer satisfaction	4
Disciplinary action	11
Dispute histories	7
Dispute mediation	6
Dispute resolution rate	6
Fact sheets	6
Fees	27
Financial statements	12
Formal disputes	7
Services to the public	4
Legislation	1
Licence classes	9
Licensing	9
Office of Fair Trading	1
Performance measures	5, 8
Planning framework	3
Prosecutions	11
Provisional certificates	9
Register	5
Technical advisory service	6
Telephone assistance	6
Telephone dispute mediation	6
Telephone enquiries	7
Website	Inside front cover
Workshop visits	6

© State of New South Wales through the Office of Fair Trading, 2007

You may copy, distribute, display, download and otherwise freely deal with this information provided you attribute the Office of Fair Trading as the owner. However, you must obtain permission from the Office of Fair Trading if you wish to 1) modify, 2) charge others for access, 3) include in advertising or a product for sale, or 4) obtain profit, from the information. Important: For full details, see the Office of Fair Trading's copyright policy at www.fairtrading.nsw.gov.au/copyright.html or email publications@oft.commerce.nsw.gov.au

For information and help on fair trading issues call the Office of Fair Trading

General enquiries

13 32 20

Language assistance

13 14 50

TTY for hearing impaired

1300 723 404

Aboriginal enquiry officer

1800 500 330

Consumer, Trader & Tenancy Tribunal

1300 135 399

Registry of Co-operatives & Associations

1800 502 042

Or visit a Fair Trading Centre at:

- Albury • Armidale • Bathurst • Blacktown • Broken Hill • Coffs Harbour
- Dubbo • Gosford • Goulburn • Grafton • Hurstville • Lismore • Liverpool
- Newcastle • Orange • Parramatta • Penrith • Port Macquarie • Queanbeyan
- Sydney • Tamworth • Tweed Heads • Wagga Wagga • Wollongong

Visit our website for details

www.fairtrading.nsw.gov.au

13 32 20



New South Wales
Government



Office of Fair Trading

1 Fitzwilliam St Parramatta NSW 2150

PO Box 972 Parramatta NSW 2124

9895 0111