



National Motor Vehicle  
Theft Reduction Council

# DELIVERING RESULTS IN TESTING ECONOMIC TIMES

**Annual Report 2012**

The NMVTRC is an initiative of all Australian  
Governments and the insurance industry

# CONTENTS

1	Letter of transmittal
2	NMVTRC members
3	Chairman's report
4	Executive Director's report
5	Reform themes
6	Our people
7	Motor vehicle theft in Australia 2011/12
10	Reform activity
18	Performance indicators
21	Financial statements
32	Appendices

## **Vision**

To achieve the lowest rate of motor vehicle theft in the developed world, thereby improving Australia's economic and social well-being.

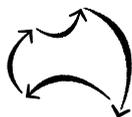
## **Mission**

To deliver a culture of continuous and sustainable vehicle theft reduction in Australia by advancing reform and cooperation between industry, government and community stakeholders.

## **Operating philosophy**

The NMVTRC is committed to developing close partnerships and common goals with stakeholders through the promotion of the economic and social benefits of reduced vehicle theft. Its credibility will be judged by the quality of its proposals for change.

# LETTER OF TRANSMITTAL



National Motor Vehicle  
Theft Reduction Council  
*driving down vehicle theft*

31 October 2012

**Standing Council on Police and Emergency Management**

The Hon. Jason Clare MP  
The Hon. Simon Corbell MLA  
The Hon. Jack Dempsey MP  
The Hon. Michael Gallacher MLC  
The Hon. Liza Harvey MLA  
The Hon. Terry Mills MLA  
The Hon. David O'Byrne MLC  
The Hon. Jennifer Rankine MP  
The Hon. Peter Ryan MP

**Insurance Council of Australia President**

Mr Robert Scott

In accordance with the Rules of Association of the National Motor Vehicle Theft Reduction Council Inc,  
I have pleasure in submitting the NMVTRC's Annual Report for the year ended 30 June 2012.

Yours sincerely,

David M Morgan  
Chairman

# NMVTRC MEMBERS



**David Morgan**  
Independent Chair



**Phil Allan**  
Federal Chamber of  
Automotive Industries



**Ron Arnold**  
Insurance Australia Group  
(Insurance Council of Australia)



**Paul Anderson**  
Suncorp Insurance (Insurance  
Council of Australia)



**Mark Borlace**  
Royal Automobile Association (SA)  
(Australian Automobile Association)



**Tim Cartwright (part year)**  
Victoria Police  
(Standing Council on Police  
and Emergency Management)



**John Chapman**  
Motor Trade Association of South Australia  
(Australian Motor Industry Federation)



**Anthony Coles**  
Australian Government's  
Attorney-General's Department



**Chris McNally**  
VicRoads (Austrroads)



**Karl Sullivan**  
Insurance Council of Australia

# CHAIRMAN'S REPORT



## Delivering results in testing economic times

The 2012 Annual Report marks a major milestone in vehicle theft reform in Australia with insurers and state and territory governments, with the exception of Queensland, agreeing to continue their collaboration in the NMVTRC model until mid-2015<sup>1</sup>.

The three year extension comes on the back of the fourth formal review of the NMVTRC's operations. The review included expert analysis of the organisation's performance in benefit-cost terms and stakeholder views in relation to its ongoing relevance. The review valued the community benefit of NMVTRC-initiated reforms over the past five years at more than \$200 million, representing a benefit-cost ratio of 22.3 for the investment by government and insurers<sup>2</sup>.

The NMVTRC considers that the results clearly demonstrate both the economic value of vehicle theft reform to the Australian community and the NMVTRC's contribution as the driver of the reform process.

While reductions over the five year review period have been dramatic, vehicle crime still has a major economic and social impact and there is considerable evidence that professional car criminals are continuing to adapt their methodologies to find sufficient gaps in the system to ply their trade. As criminal networks are shut down by police action, others rise up to occupy the 'vacancy' created.

There is also a clear correlation between the general performance of the economy and crime – with periods of good economic performance (growing real average weekly earnings and low unemployment) helping to deliver lower rates of property crime. The current 'patchwork' nature of the economy has undoubtedly contributed to the increase in theft activity in 2011/12 – the first time in a decade that the nation has experienced increases across the board.

With the ongoing uncertainty in both the global and domestic economic outlook there is a significant risk that this current upward trend will extend into 2013. This will include vehicle theft and instances of insurance fraud disguised as vehicle theft and/or staged collisions.

The NMVTRC's new Strategic Plan released earlier this month therefore redoubles the effort to implement a broadly based raft of counter-measures and interventions to reduce both the volume and cost of vehicle crime.

In terms of the 2011/12 program the highlights of the year included:

- reaching broad agreement with stakeholders on the need to reform end-of-life vehicle management practices to combat theft for scrap rackets and improve environmental outcomes;
- substantial progress towards implementation of a new set of damage assessment criteria for written-off vehicles to ensure that those which have sustained significant collision, fire or water damage are identified as suitable only for dismantling. This included the delivery of specialised training to more than 1,000 insurance assessors, claims staff, auction house and transport agency personnel, and specialist police nationally;

- the establishment of the Personal Property Securities Register – which at last provides consumers and the motor trades with a national one-stop-shop for vehicle status information;
- reaching in-principle agreement with Mission Australia and Suncorp Insurance on a social-enterprise model for a *U-turn* style program that should commence operation in Melbourne in early 2013;
- the announcement of the 2012 Secure by Design Awards – in conjunction with the NSW Police Minister, the Hon. Michael Gallacher – which saw VW scoop the pool in four of the six categories with wins also to Audi, BMW and Jaguar; and
- the continued success of *Operation Bounce Back* – the NMVTRC's public education partnership with local government in theft hot spots around the country.

The year also saw several changes in the membership of the Council. Special thanks go to outgoing Deputy Chair, Ms Nola Watson, (Insurance Australia Group). Nola has been a long term supporter of the NMVTRC from inception and since coming on board in an official capacity as a Councillor in 2009 has made an invaluable contribution to the organisation's governance and strategy development.

Ms Watson's vacancy on the Council has been filled by fellow Insurance Australia Group Executive, Ron Arnold. In other changes:

- Insurance Council representative Paul Anderson replaced his Suncorp Insurance colleague Jimmy Higgins;
- Victorian Deputy Police Commissioner Tim Cartwright (APM) (Standing Committee on Police and Emergency Management) resigned; and
- VicRoads' Chris McNally filled the vacant Austroads position.

My personal gratitude goes to all concerned for ensuring a smooth transition.

Finally, I would like to again recognise the continuing enthusiasm and professionalism demonstrated by our Executive Director and his dedicated team in delivering a diverse and challenging program of reform.

David M Morgan  
Chairman

1. The Queensland Government decided to end its participation in the initiative following a whole of government budgetary review.
2. The benefit-cost ratio (BCR) is determined by dividing the estimated reform benefits by the costs incurred by all parties in delivering the reform program.

# EXECUTIVE DIRECTOR'S REPORT



The NMVTRC's long term vision is for Australia to achieve the lowest rate of vehicle theft in the developed world and the significant gains made in the past decade have positioned us well to achieve that goal. However, as with any large scale reform of a myriad of government, business and community practices, the task gets harder rather than easier to deliver continually better results.

As the Chairman observed, the 2011/12 year marked the point at which the significant reductions of the past decade ground to a halt in the face of a more challenging economic outlook, with increased theft activity in both short term and profit-motivated theft across all vehicle age groups.

The prevailing conditions will require a new level of commitment from both the NMVTRC and its stakeholders to combat the prevailing trends, particularly in relation to disrupting the separated parts market.

In light of the challenge ahead it was gratifying to see the very high levels of stakeholder satisfaction reported to our review consultants, indicating that the NMVTRC continues to enjoy strong buy-in from the key organisations that we rely on to implement our reform program. This support was very evident in this year's annual planning workshops with senior stakeholder executives – the 2012 StratPlan Series – indicating very strong levels of participation and debate.

In recognition of the likely constraining effect that economic conditions will have on stakeholders' capacity to implement reforms, the NMVTRC will maintain its focus on devoting considerable resources to facilitating an operational, on-the-ground response to the 'highest priority' issues via effective partnerships.

While 2011/12 has delivered some challenges, the NMVTRC remains committed to working cooperatively with its stakeholders to deliver a program of continuous, sustainable improvements to disrupt criminal activity and contribute to the nation's social and economic well-being.

Ray Carroll  
Executive Director

# REFORM THEMES

**DISRUPT SEPARATED PARTS MARKETS**

**DISRUPT VEHICLE LAUNDERING MARKETS**

**DIVERT YOUNG OFFENDERS**

**CAPACITY BUILDING AND INNOVATION**

# OUR PEOPLE



Ray Carroll  
Executive Director



Geoff Hughes  
Director Strategy  
and Programming



Christine Pejic  
Project Officer



Kate Roadley  
Administration Officer

# MOTOR VEHICLE THEFT IN AUSTRALIA 2011/12

The 12 months to 30 June 2012 saw the total volume of passenger/light commercial (PLC) vehicle thefts increase for the first time in more than a decade. Theft for short term use increased by 5 per cent to 37,342 while profit-motivated thefts rose by 8 per cent settling at 11,650 for the year. Motorcycle thefts rose by 4 per cent to 8,036<sup>3</sup>.

Despite this increase theft volumes remain 13 per cent lower than 2007/08 – the current base year in the NMVTRC’s five year rolling analysis. The NMVTRC estimates the cost of theft to the community for the year to exceed \$670 million<sup>4</sup>.

The static nature of the stolen not recovered (SNR) volume remains the principal concern as it is a surrogate indicator of organised criminal activity seeking to convert stolen vehicles into cash. As a group, missing vehicles now represent one in three stolen vehicles compared to one in four in 2007/08. Of most concern is the significant spike in SNRs in Queensland and Western Australia in the first half of the year.

## Short term theft<sup>5</sup>

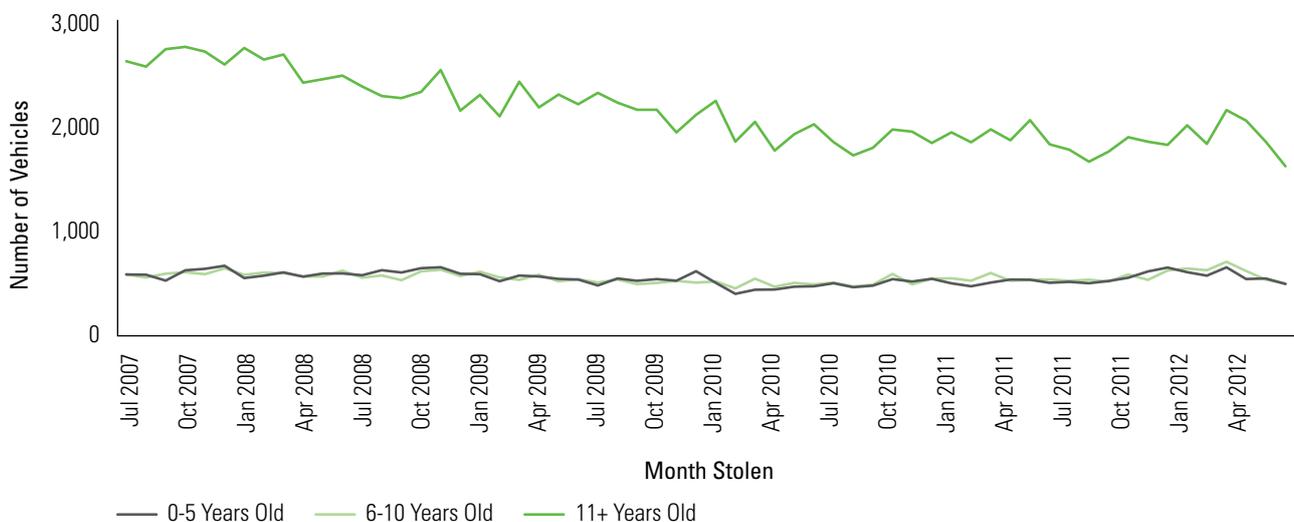
The short term theft category comprises those incidences where the vehicle has been targeted by opportunistic thieves for short term uses such as joyriding, transport or is used to commit another crime but has been recovered intact or subject to malicious damage<sup>6</sup>.

The 2011/12 year saw the number of passenger/light commercial (PLC) vehicles stolen for short term use increase by 5 per cent to 37,342. This represents the first increase in the volume of STT for a decade.

The prevailing rate of PLC theft per 1,000 vehicles now stands at 2.4 compared to 3.5 five years ago.

Short term motorcycle theft increased by 4 per cent to a total of 3,418 stolen in the year.

Figure 1: Passenger/light commercial vehicles – short term thefts by month, 2007/08-2011/12



# MOTOR VEHICLE THEFT IN AUSTRALIA 2011/12 CONTINUED

## Profit-motivated theft

Profit-motivated theft refers to vehicles stolen for conversion into cash via various illegal methods. A total of 11,650 PLC vehicles were stolen not recovered (SNR) in 2011/12 – an increase of 8 per cent<sup>7</sup>. The number of motorcycles stolen for profit or personal gain rose 4 per cent to a total of 4,618 (up 195 thefts).

The overwhelming majority of profit-motivated thefts are still of older vehicles, with 86 per cent of all not recovered PLCs being more than six years old.

Two-thirds (or approximately 7,850 by volume) of all SNRs are more than 11 years old with the major proportion valued at \$5,000 or less. Within this group lays a large proportion of very old vehicles that may have been:

- simply dumped in waterways or bushland never to be seen again;
- stripped for parts to repair or maintain like vehicles (with the shell more than likely taken to a metal recycler for shredding to destroy evidence and optimise financial returns);
- stolen with the express intent of having them shredded for cash;
- subject to re-birthing activity on the basis they are likely to attract less scrutiny than younger equivalents;
- exported to meet a growing international demand for scrap metal and used parts; and
- the subject of a fraudulent insurance claim.

At the other end of the spectrum, around 1,670 vehicles under five years of age remained outstanding for the year indicating a relative reluctance by criminals to target vehicles in this age group because

of higher levels of electronic and other protection and the challenge of selling them without service records, etc. One of the impacts of the uncertain economic conditions facing Australia is that this group is also now more likely to be subject to higher levels of insurance fraud disguised as theft.

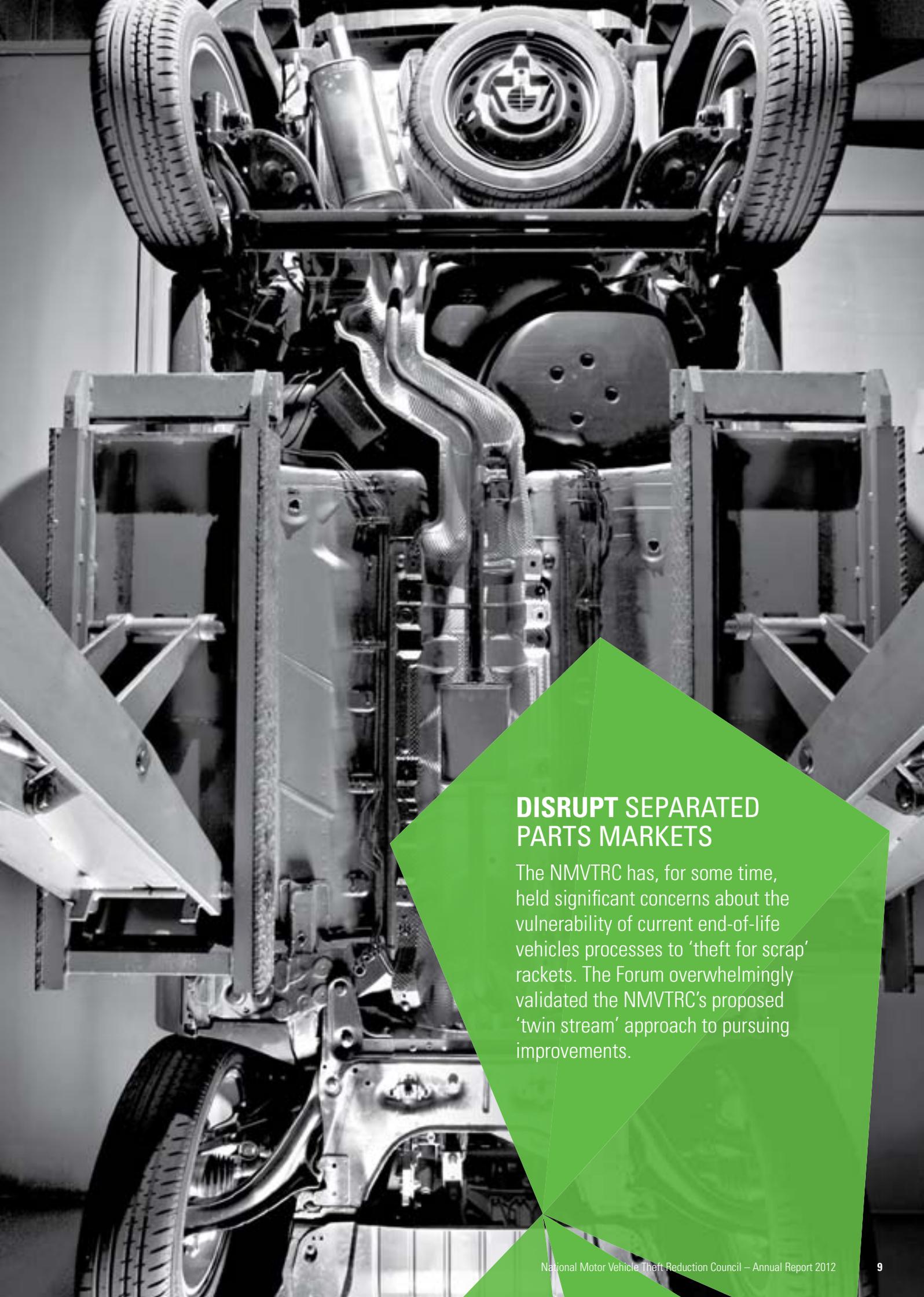
The most lucrative criminal activity remains focused on the ‘middle-aged’ vehicles where the financial return is reasonable but the transactions to convert them into cash are less likely to draw the scrutiny of buyers or authorities.

As mentioned earlier, select parts of Australia, predominantly south eastern Queensland and Western Australia experienced an unprecedented spike in related activity over the past year. Increases were spread evenly across all vehicle ages.

3. All data used in this report has been adjusted for the number of missing vehicles that will be recovered up to a year after the close of the data period. The adjustment has the effect of moving a percentage of vehicles from the unrecovered (profit-motivated category) to the short term (recovered category).
4. Based on independent economic analysis conducted by MM Starrs Pty Ltd (November 2011) which updated the NMVTRC's cost models to \$11,500 for recovered vehicles and \$20,610 for those not recovered depending on a range of factors such as vehicle, personal, injury and insurance administration costs.
5. The motivations of short term and profit-motivated theft are quite distinct. To ensure the clearest possible picture of the trends in each the NMVTRC reports the prevailing theft trend data for each separately to make it easier to identify emerging trends. As noted above, a rolling five year time scale for baseline data is used to keep the format contemporary and ensure current changes in trend data are more easily discernible.
6. Short term use numbers will include an unknown but assumed small number of recovered vehicles that were recovered in a substantially stripped condition that were the likely target of profit-motivated thieves.
7. SNR volumes are inflated by an unknown number of missing vehicles that are stolen and simply dumped in waterways and bushland.

Figure 2: Passenger/light commercial vehicles – profit-motivated thefts by month, 2007/08-2011/12





## **DISRUPT SEPARATED PARTS MARKETS**

The NMVTRC has, for some time, held significant concerns about the vulnerability of current end-of-life vehicles processes to 'theft for scrap' rackets. The Forum overwhelmingly validated the NMVTRC's proposed 'twin stream' approach to pursuing improvements.

# REFORM ACTIVITY

## Disrupting separated parts markets

### Optimising the benefits of current electronic and other OEM vehicle identification systems

The generally poor standard of vehicle and component identification on most vehicles facilitates a low risk environment for the laundering of stolen whole vehicles and separated parts. It is also the major evidentiary barrier to police and transport agencies being able to cost effectively prosecute profit-motivated vehicle thieves.

Improving the standard of original equipment (OE) vehicle and component identification has therefore been one of the NMVTRC's key priorities for the past decade. While the NMVTRC's vehicle identification strategy had some significant success in the period between 2002 and 2008 (via the progressive introduction of VIN-based microdots and secure compliance labels), it is now appropriate to examine whether there are new, complementary identification options that may deliver equivalent or improved levels of vehicle theft detection and deterrence.

As a possible alternative to trying to convince manufacturers to adopt 'add-on' technologies or systems to improve the vehicle's theft resistance, the NMVTRC is interested in exploring whether the new generation of vehicle electronic control systems can be utilised in a systematic approach to theft deterrence and detection. These systems are increasingly being utilised to improve vehicle efficiency, safety and maintenance, and rely on exchange of electronic VIN signatures between vital components.

As a first step, the NMVTRC engaged leading UK-based consultancy SBD to consult with a select group of vehicle manufacturers that represent each of the top, middle and lower tiers of the prevailing technologies to identify the relative utility of existing and emerging technologies and systems, and make recommendations on those that should be subject to further investigation.

The SBD study suggests that there is huge potential for the use of OE electronic data storage for identifying stolen vehicles or components although not all databases are configured to facilitate secure, rapid retrieval of related data.

Volkswagen Group has the most advanced system with its database seamlessly integrating stolen vehicle 'flags' generated by government systems with the company's online service and diagnostics tools. When a vehicle of interest is connected to the online servicing portal a system alert is raised and the vehicle is denied service. Volkswagen currently receives stolen vehicle data from four European countries.

At the other end of the spectrum, Toyota has virtually no electronic traceability of components.

The report also provides a comprehensive overview of the technical aspects of on-board data storage including commentary on the

strengths and weaknesses of hard coding versus soft coding and vulnerabilities of various systems to re-coding with after-market diagnostic tools.

The SBD report provides a useful starting point for further deliberation on how existing and emerging electronic identification in vehicles might be better utilised as a theft deterrent and investigation tool.

## National Forum on the Management of End-of-Life Vehicles

End-of-life vehicles (ELVs) are a significant contributor to Australia's waste stream with current estimates putting the annual volume of ELVs at 600,000 and growing. The NMVTRC has, for some time, held significant concerns about the vulnerability of current ELV processes to 'theft for scrap' rackets. However, reaching agreement with stakeholders on a clear, cohesive reform program has proved challenging.

In June the NMVTRC hosted a forum of more than 50 representatives of the insurance and automotive industries/trades, environmental agencies, scrap processors, police and registration authorities to re-state the issues and options for achieving improved theft and environmental outcomes for ELVs.

The workshop focused on options to optimise the effectiveness of the existing settings and considered the role that product stewardship (PS) might play in the future<sup>8</sup>.

Expert presentations on the key themes and issues were followed by detailed syndicate group discussions in which participants considered challenges and benefits of pursuing a range of short term and longer term reforms.

The Forum overwhelmingly validated the NMVTRC's proposed 'twin stream' approach to pursuing improvements and endorsed all four key elements, i.e.:

- pursuing the reform of second-hand dealing and recycler business licensing laws to address the deficiencies identified by the NSW Inter-agency Task Force and the review of the 'modernity' of current legislative settings conducted for the NMVTRC by DLA Piper Lawyers;
- the trial of an 'e-data consolidator' service to improve the efficiency of the reporting of written-off vehicles by parts recyclers;
- looking to the commercial relationships between insurers, repairers and recyclers to assure the provenance of parts used in the legitimate supply chain; and
- development of an appropriately designed voluntary PS scheme.

Projects to tackle each of the above issues have been included in the NMVTRC's new Strategic Plan for 2012-2015.

8. Product stewardship is an approach to managing the environmental impacts of products based on the principle that all the parties in the product chain – from manufacturers to end consumers – share responsibility for the products they produce, handle, purchase, use and discard.



## **DISRUPT VEHICLE LAUNDERING MARKETS**

The new criteria for SWOs require assessors to apply a higher set of engineering principles to the classification process and are expected to result in a 30 per cent reduction in the number of vehicles classified as repairable.



## DIVERT YOUNG OFFENDERS

The NMVTRC's model young offender program, *U-turn*, uses the fascination that most young offenders have with vehicles to help them to develop practical automotive repair skills, that can lead to further vocational or educational opportunities.

## Disrupting vehicle laundering markets

### New damage assessment criteria for statutory write-offs

South Australia became the first jurisdiction to implement the NMVTRC's new damage assessment criteria to ensure that written-off vehicles (WOV) which have sustained significant collision, fire or water damage are identified as suitable only for dismantling.

In 2010, an NMVTRC-led review of the technical criteria used to determine when a vehicle should be classified as ineligible for re-registration found that the prevailing criteria were too simple when applied to most modern cars. As a result, a severely damaged vehicle could be classified as repairable when it should have been obvious to a trained expert that it was suitable only for dismantling or scrap.

Changes in vehicle construction and fabrication, especially in respect of the use of composite materials and advanced safety systems, mean that it is increasingly more complex to assure a complete and safe repair of a modern vehicle. Vehicle manufacturers had also expressed concern about the hazard posed by the delayed corrosion of key electronic components, including primary safety systems, in respect of immersed vehicles.

The new criteria require assessors to apply a higher set of engineering principles to the classification process and are expected to result in a 30 per cent reduction in the number of vehicles classified as repairable.

The changes are timely as Australia faces increasing rates of profit-motivated theft for the first time in more than 10 years. Other states and the Australian Capital Territory are expected to adopt the new criteria by the end of 2012. The Northern Territory is expected to follow in early 2013.

In preparation for the new criteria, the NMVTRC developed and funded delivery of an extensive national industry training program, which is being run around four to eight weeks prior to implementation in each state and territory. The key target group is insurance assessors but provision is also being made for allied professionals, select road agency personnel and specialist police where requested. More than 1,000 insurance assessors, claims staff, auction house and transport agency personnel, and specialist police will have completed the national training program by the end of November 2012.

### Exploring market resistance opportunities

The NMVTRC has long been a leading advocate for improving consumer and motor trades' access to non-personal vehicle status information and establishing a means for insurers to validate data direct from the vehicle registration system.

While some vehicle status information has been available from encumbrance registers and registration agencies, they have generally been limited to state based checks rather than a single, national 'source of the truth'. As a consequence, they have been generally greatly under-utilised by consumers. The NMVTRC estimates that

there are more than 1.4 million private to private sales every year, but only around one-third of buyers have checked the vehicle's history prior to purchase because the process has been too difficult and under marketed.

It was therefore pleasing that the year saw the launch of two key online services that will deliver the NMVTRC's vision for better information access, namely the:

- Personal Property Securities Register (PPSR) – which is the national one-stop-shop for vehicle encumbrance, stolen and written-off status for consumers and the motor trades – operated by the Australian Government. The PPSR provides buyers with a one-off certificate confirming recorded status for a cost of just \$3.70; and
- Vehicle Information Request System – which enables insurers to:
  - validate vehicle description and status information against the national registration database and vehicle manufacturers' data; and
  - integrate that information with customer transactions via their own quoting, underwriting, claims management and investigation systems and processes.

The NMVTRC marked the launch of the PPSR with a support print marketing program via the 'winter editions' of motoring club journals nationally – which have a combined circulation of 5.2 million copies.

Whilst the introduction of the PPSR service is welcomed, the NMVTRC is concerned that the manner in which written-off vehicle information is presented is open to misinterpretation by casual users and inconsistent with the national written-off vehicle coding system. The NMVTRC will work with stakeholders to seek to have these issues address by the system operator, Insolvency and Trustee Service Australia.

### Heavy vehicles, plant and equipment

Of the 1,100 items of plant and equipment reported to police as stolen each year fewer than 50 per cent are recovered and many are of very high value.

Factors that facilitate plant and equipment theft include the:

- vulnerability of construction and storage sites to attack during non-working hours;
- absence of a formal recording system of identifying information for individual items to allow financiers, insurers, traders or private buyers to establish an item's authenticity prior to purchase; and
- fact that most thieves are thought to have specialist industry knowledge which they apply in the theft, retention and sale of stolen equipment, and related fraud.

A national equipment register is central to any coordinated response to the problem to enable the verification of a machine's make, model, serial number and entitlement to possession.

# REFORM ACTIVITY CONTINUED

The year saw the NMVTRC and the Construction & Mining Equipment Industry Group (CMEIG) hold a series of discussions about how the industry could establish an industry based register. It is hoped that final details on options for designing and hosting the register can be completed by the end of 2012.

## **Diverting young offenders**

### **A sustainable *U-turn* style program for young recidivist offenders**

Motor vehicles are stolen for many reasons, but young people are still responsible for three out of every four vehicle thefts in Australia. In larger Australian cities it is not uncommon for a 'proficient' young thief to have stolen more than 300 cars by his or her late teens.

High rate vehicle theft has also been shown to be a strong indicator of a young person's likely involvement in other forms of crime. Traditional justice responses are costly and offenders are often returned to the community without the skills or support required to leave their former lifestyle behind.

The NMVTRC's model young offender program *U-turn* uses the fascination that most young offenders have with vehicles to help them to develop practical automotive repair skills that can lead to further vocational or educational opportunities.

Independent expert evaluations of *U-turn* demonstrate that it has achieved high standards of participation, completion and relapse prevention. Despite this, it has proven difficult to get central agencies and service planners to see the program as a genuine alternative.

Mission Australia (MA), which has successfully operated the Tasmanian *U-turn* program for more than seven years, has more recently developed considerable expertise in developing self-funding transitional labour market programs for socially disadvantaged groups – particularly in Melbourne. MA uses the term social enterprise (SE) to describe its service model.

The NMVTRC, MA and Suncorp Insurance have reached in-principle agreement on collaborative arrangements to establish a self-funding social enterprise based on a quick turn around collision repair service for vehicles with incidental or low range damage. The program is expected to commence full operation in early 2013. Once established there is potential for replication of the model in other parts of Australia.

## **Supporting local government initiative and innovation**

The NMVTRC also continued its support of a smaller scale program based on the *U-turn* model by the Cities of Bankstown and Canterbury in south western Sydney. The primary funding for the program comes from the Australian Government's Proceeds of Crime Act. The NMVTRC provides the program with ongoing design advice and links to other

expert input from a range of professionals who have past and current operational experience in delivering *U-turn*. The NMVTRC also secured the participation of Allianz Australia Insurance as the program's primary corporate partner providing a range of direct and in-kind assistance.

## **U-turn Tasmania**

In the meantime, the original *U-turn* site based in Hobart saw its forty-second group of young Tasmanians graduate in mid-2012.

Since commencing as a two-year pilot in 2003 with NMVTRC and Australian Government funding, *U-turn* Tasmania has made a significant difference to the lives of more 400 young people and their families. Its success has seen the Tasmanian Government commit to funding the program through to at least mid-2013. MA operates the site under contract to the Department of Police and Emergency Management.

## **Engaging young people before they offend**

Over the last couple of years community groups and police in areas of social and economic disadvantage have reported that children as young as nine to 14 years are at increasing risk of becoming involved in car crime. They have also expressed concern about the lack of contemporary education resources to encourage this age group to consider the risks, consequences and long term impacts of getting involved in car crime.

In October 2011 the NMVTRC launched a new interactive short film, *Choose a Ride*, developed with the assistance of Tasmania's City of Glenorchy, Tasmania Police and local film production company Roar Films, based on the real life observations of police, youth workers and young people themselves.

The film is designed for YouTube but is also supported with its own dedicated website with resources for teachers and others working with young people about how to use the film as a discussion tool.

## **Building stakeholder/community capacity and encouraging innovation**

### **Secure by Design**

The level of in-built security in cars is the single most important factor that determines the theft rate of a particular model. Secure by Design is aimed at raising motorists' awareness of the importance of security in their vehicle choice and encouraging manufacturers to aspire to the best available technology.

In April, the NSW Minister for Police and Emergency Services, the Hon. Michael Gallacher joined the NMVTRC at Sydney's Olympic Park to showcase the vehicles adjudged as the 'best of breed' in six categories.

The security features of more than 70 current model vehicles were independently rated by engineering experts from NRMA Insurance's Research Centre in Sydney against a comprehensive scoring matrix examining the standard of:

- entry systems (such as door, ignition locks, alarms, rear seat/boot access and glazing);
- engine immobiliser (higher technology immobilisers attracting higher scores); and
- vehicle identification (body stamping, security labelling and microdotting).

The 2012 winners were:

- **Small car category** – the Volkswagen Polo, 5-door Hatch;
- **Small medium class** – the Volkswagen Golf, 5-door Hatch;
- **Medium car group** – the Audi A4 and VW Passat (joint winners);
- **Large car category** – the Jaguar XF;
- **SUV class** – the VW Tiguan; and
- **Coupe/convertible group** – the BMW 1 Series Convertible and 3 Series Coupe (joint winners).

Disappointingly we were unable to present awards in the people mover and commercial classes as the gap in security features between the big sellers in those classes – compared to the winners of the passenger car classes – was too great.

Australian manufacturers need to lift their game in relation to vehicle identification technology. Improved vehicle identification is essential to combating profit-motivated thieves who launder stolen vehicles by manipulating the vehicle's identifiers, or break the vehicle down to separated parts for sale on the black market.

The NMVTRC also used the event to launch a short video on its vision for a 'secure system' approach to combating vehicle crime to illustrate the total range of changes required of business, government and community practices in order to minimise theft risks. The video '*Towards a Secure System*' can be viewed on the About Us page of the CAR-SAFE website.

### Operation Bounce Back

*Operation Bounce Back* (OBB) is the NMVTRC's partnership with local government authorities (LGAs) in vehicle theft hot spots. OBB promotes awareness of vehicle security issues and helps theft victims get on with life. In 2011/12 a grant package to the value of \$35,000 was provided to 21 LGAs in theft hot spots nationally.

Each package consists of immobiliser installations, public education materials, and funding to support time-specific projects designed to address theft of older vehicles in the local area. LGAs are selected on a ranking of their relative theft rates and older vehicle registration rates.

Participating LGAs are required to submit a project plan that demonstrates their program is consistent with the NMVTRC's best practice guide *Tackling Vehicle Theft: A Guide for Local Communities*.

OBB enables the NMVTRC to channel its community communications via a program of concentrated, precisely targeted and repeatable activities in the hottest of theft hot spots via partnerships with LGAs. The core focus of the program is to portray vehicle theft as a serious but preventable crime issue and chip away at community misperceptions about the dynamics of the problem by personalising the issue and promoting the concept that prevention is a shared responsibility.

OBB also extends the NMVTRC's resources by developing activities that can be faithfully replicated across various settings.

Grants are split into two distinct 'fights' of activity based on the local period of peak risk in order to ensure heightened community awareness at the most appropriate time of the year. This approach results in two clusters of activity from March to June and August to November.

A preliminary analysis of theft figures in those LGAs that participated in the 2011/12 program show very encouraging signs. Ten of the participating LGAs achieved overall reductions in theft of older vehicles, with the reductions being up to 29 times greater than their state average. The Gold Coast defied a state increase of 14 per cent to achieve a reduction of 5 per cent for the LGA. Table 1 on page 16 provides an overview of older passenger/light commercial theft numbers over the past two years for these LGAs.

Feedback from municipalities continues to show that OBB has consistently provided an efficient and cost-effective channel for the delivery of key theft prevention messages and has been particularly successful in fostering stronger partnerships between community stakeholders, local government and police. Community response to the initiative continues to be overwhelmingly positive, with over 1,200 Australian-standards approved immobilisers fitted in older cars as part of the 2011/12 program.

The NMVTRC's new suite of generic radio and print advertisements added to the mix of resources available to local councils in 2011/12 were well received by grant participants with many running the ads in their local paper and on their local radio station.

# REFORM ACTIVITY CONTINUED

Table 1: Thefts of older (11+ years) passenger/light commercial vehicles by select LGAs

Local Government Area	2009/2010 Thefts	2010/2011 Thefts	Local Change %	State Average %
Fairfield NSW	359	333	-7	-1
Canterbury NSW	328	293	-11	-1
Wollongong NSW	361	258	-29	-1
Palmerston NT	59	51	-14	-6
Port Adelaide Enfield SA	471	426	-10	-0.4
Hobart TAS	260	186	-29	-15
Hume VIC	510	377	-26	-1
Moonee Valley VIC	168	163	-3	-1
Frankston VIC	241	185	-23	-1
Gold Coast QLD	840	795	-5	14

In addition to OBB, the NMVTRC also supports a range of other community based programs by providing print and other educational resources to local police and many stakeholder organisations. More than 99,000 CAR-SAFE brochures and more than 2,800 A3 posters were distributed via these stakeholder channels. Close to 14,000 brochures were also distributed in languages other than English.

### CARS data services

The NMVTRC's world-leading Comprehensive Auto-theft Research System again provided stakeholders and the media with fast, easy access to the most up-to-date vehicle theft data available.

In 2011/12, new and improved versions of stakeholder online search tools *Analyser* and *Mapper* were released. There were more than 2,700 self-directed searches made for the year, including Quarterly and *QuickStats* reports.

Stakeholders also made more than 270 ad-hoc requests for detailed data and more than 350 hard copies and 47 downloads of the detailed Annual Statistical Report were distributed.

The number of records flowing into the system from all sources (police, insurers, registration agencies and commercial auto intelligence services) totalled almost 30 million for the year.

### Minimising opportunities for insurance fraud

The NMVTRC continued to participate in the Insurance Council of Australia's Insurance Fraud Bureau in recognition that a substantial number of vehicle theft reports are in fact fraudulent claims against insurers.



## **CAPACITY BUILDING AND INNOVATION**

The security features of more than 70 current model vehicles were independently rated, by engineering experts from NRMA Insurance's Research Centre in Sydney, against a comprehensive scoring matrix.

# PERFORMANCE INDICATORS

## Vehicle theft in comparable developed nations

Since its inception NMVTRC has benchmarked its performance against a group of nine comparable OECD countries (Belgium, Canada, France, Germany, Italy, Japan, New Zealand, the United Kingdom (UK) and the United States) – the ‘Original Data Model’.

In the absence of a single, uniform collation process data was sourced from a variety of international publications. However, this exercise has been getting increasingly more difficult with some countries discontinuing reporting or significantly changing counting rules and definitions. As a result of these changes, in 2010 the NMVTRC came to the view that the original data model was too compromised to be a reliable benchmark of international performance.

In the 2011 Annual Report we flagged that we proposed to seek an alternative means of comparison. The new model detailed in figure 3 on page 20 is considered more representative and sustainable as it accounts for potentially differential counting rules and large variations in vehicle fleets and population sizes by indexing all participants to a common point (100) and measures performance from that point. In interpreting the results, the critical factor is therefore direction and shape of the individual line rather than the quantum of the theft ‘size’, i.e. is the jurisdiction tracking better or worse since the common point of indexation.

The time lag in reporting data in other jurisdictions limits the time series for comparison to the end of the 2010 calendar year.

## Community perceptions of vehicle theft relative to other crime

Regular surveying of community attitudes on key vehicle crime issues enables the NMVTRC to longitudinally track changes in community perceptions and refine its communications key messages. The 2011/12 survey of over 1,200 motorists:

- found that the overall level of community concern remained high with over 70 per cent of motorists indicating they were greatly or fairly concerned about the problem;
- shows an improved awareness amongst motorists of vehicle theft with three in five respondents recognising that young people stealing for short term use such as joyriding makes up the majority of motor vehicle theft;
- highlights that there is still some confusion as to the types of vehicles most commonly stolen with almost five in 10 motorists believing that recent model mainstream cars are the most common theft targets;

- found that despite its relatively high frequency, the vast majority of car theft does not involve personal confrontation and for this reason motorists rate concern for motor vehicle theft below the crimes of rape and assault, murder, house burglaries, drug-related crime, vandalism and store hold-ups; and
- reinforces the need to continue the NMVTRC’s emphasis on effectively promoting the realities of vehicle theft (such as older vehicles remaining the most commonly stolen and vulnerable to attack with simple tools) and the inconvenience that being without a car can potentially cause.

## The cost of motor vehicle theft

The increase in theft volumes for the year is estimated to have cost the community around \$39 million<sup>9</sup>. The NMVTRC therefore estimates the cost of vehicle theft to be \$670 million, excluding the very large community costs associated with police investigations, courts, and corrections.

## Analysis of NMVTRC in the media

Vehicle theft maintained a sound focus in the media this year, with over 900 related articles published. The NMVTRC provided data and comment in over 45 of these articles on a range of issues including local government specific theft targets and hot spots, statewide trends, the launch of our youth interactive film *Choose a Ride*, and the rise in profit-motivated theft which prompted a number of publications to remind motorists of the importance of protecting car keys in order to reduce the risk of theft. *Operation Bounce Back* continued to achieve very good media coverage with over 20 articles expressly referring to the program, as did the NMVTRC’s media event, *Secure by Design*, with 11 newspaper articles referring to the event and the vehicles deemed the most secure in their class. The event also received extensive online coverage through motoring websites across Australia.

The NMVTRC also featured in 15 radio and television interviews on a range of issues including *Choose a Ride*, *Secure by Design*, trends and stats, theft with force and profit-motivated theft.

## Stakeholder determined performance indicators

A select sample of senior stakeholder executives from across Australia were asked to participate in a 30 minute telephone interview conducted by leading market research firm Nexus Research designed to assess the NMVTRC’s performance in relation to its program coordination and consultation, publications, and level of influence.

## Program coordination and consultation

Overall, 90 per cent of stakeholders regarded the NMVTRC's consultation performance positively. Eighty-six per cent of stakeholders were pleased with the consultation, specifically in relation to the development of reforms and programs, and consultation in regards to the development of the Strategic Plan was also rated highly amongst stakeholders (73 per cent), with the NMVTRC's commitment to engaging and involving stakeholders in program coordination highly valued. Overall recognition of the NMVTRC's reforms was high. Reforms respondents were most familiar with were *U-turn* and the Assessment criteria for written-off vehicles (90 per cent recognition), followed by the Comprehensive Auto-theft Research System (CARS) (88 per cent) and Whole of vehicle marking (85 per cent). The elements of the program stakeholders were least familiar with were the Vehicle Information Request System (VIRS) and Secure by Design, although over half of respondents were still familiar with these reforms.

Four in five stakeholders reported a very high level of satisfaction with the NMVTRC's dissemination of vehicle theft information with regular correspondence with stakeholders on reform activities, readiness to be available for consultation and regularly inviting submissions from stakeholders valued by respondents.

## Publications

Almost all respondents rated the quality of the NMVTRC's publications positively, and 88 per cent of stakeholders felt that the publications met their needs and expectations. Stakeholders noted appreciation for having access to data through the CARS *Analyser*, regular data requests and regular distribution of newsletters.

The two quarterly newsletters, Theft Watch and Theft Torque, were the most well recognised of the NMVTRC's publications (81 per cent recognition), followed by the CAR-SAFE website, CARS database and the Annual Report and Strategic Plan. Police in particular appreciated being able to download community education materials such as brochures and posters directly from the website.

Improvements to publications suggested by stakeholders were mainly around the conveying of statistics and included further segmentation into regional/rural areas and further analysis of thefts of other vehicles.

## Influence on reforms

85 per cent of stakeholders believed that the NMVTRC has had a positive influence on vehicle theft reform progress in their sector or organisation. This was largely attributed to the NMVTRC providing support and coordinating a collaborative approach to achieve desired reforms in all jurisdictions. Just over 80 per cent of stakeholders were satisfied with how the NMVTRC's reforms have progressed and a similar number felt that in general the profile of vehicle theft in Australia had changed since the NMVTRC's inception.

9. Based on an independent economic analysis conducted by MM Stars Pty Ltd for the NMVTRC (November 2011) which estimated victims' costs per incident to be \$11,500 for recovered vehicles and \$20,610 for vehicles not recovered depending on a range of personal and other factors.

# PERFORMANCE INDICATORS CONTINUED

Table 2: Short term and profit-motivated thefts as a percentage of total thefts (PLCs)

	2007/08	2008/09	2009/10	2010/11	2011/12
Short term thefts %	79	79	78	77	76
Profit-motivated thefts %	21	21	22	23	24

Table 3: Short term and profit-motivated thefts as a percentage of total thefts (motorcycles only)

	2007/08	2008/09	2009/10	2010/11	2011/12
Short term thefts %	39	38	39	43	43
Profit-motivated thefts %	61	62	61	57	57

Figure 3: International league table of car thefts – theft rate/1,000 population indexed to 2006

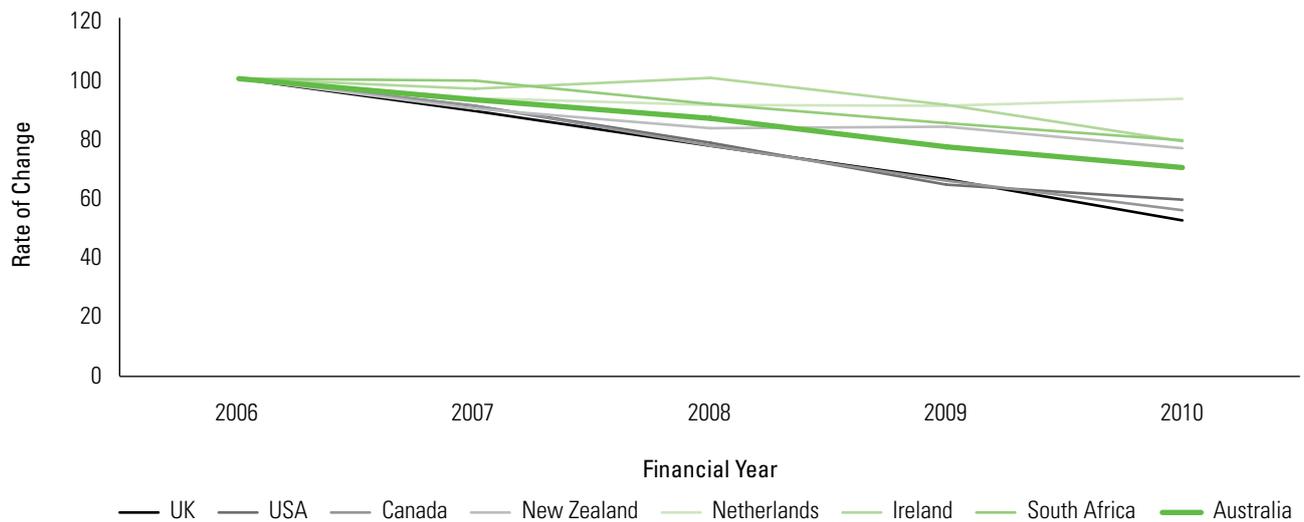
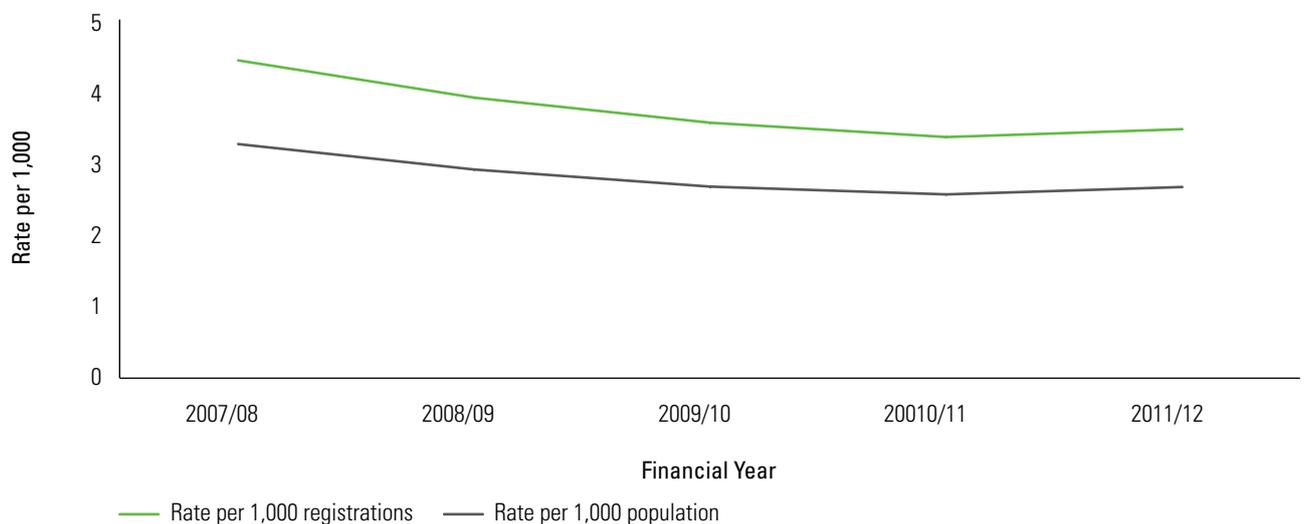


Figure 4: Motor vehicle thefts per 1,000 registrations and population, 2007/08-2011/12





# STATEMENT BY MEMBERS OF THE COMMITTEE FOR THE YEAR ENDED 30 JUNE 2012

In the opinion of the Committee the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and Notes to the Financial Statements:

1. present fairly the financial position of National Motor Vehicle Theft Reduction Council Inc as at 30 June 2012 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board; and
2. at the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

David Morgan  
Chairman

Ron Arnold  
Committee Member

Dated the 28th day of September 2012

# INDEPENDENT AUDIT REPORT

## NATIONAL MOTOR VEHICLE THEFT REDUCTION COUNCIL INCORPORATED INDEPENDENT AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2012

### *Scope*

I have audited the accompanying financial report, being a special purpose financial report of National Motor Vehicle Theft Reduction Council for the period ended 30 June 2012 being the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements. The Committee is responsible for the financial report and has determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Incorporation Act Victoria and the needs of the members. I have conducted an independent audit of this financial report in order to express an opinion on it to the members of National Motor Vehicle Theft Reduction Council Incorporated. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Act Victoria. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of 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 the accounting policies described in Note 1 so as to present a view which is consistent with my understanding of the Council's financial position and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The Audit opinion expressed in this report has been formed on the above basis. In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

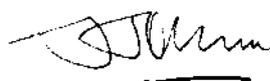
### *Audit Opinion*

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of National Motor Vehicle Theft Reduction Council for the period ended 30 June 2012 and the results of its operations for the period then ended.

### *Emphasis of Matter*

Without modifying my opinion, I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Director's financial reporting responsibilities under the Associations Incorporation Act Victoria. As a result, the financial report may not be suitable for another purpose.

I also draw attention to Note 14 to the financial report which describes the uncertainty related to the outcome of the negotiations for funding agreement for the 2012-2015 period. My opinion is not modified in respect of this matter.



**Geoffrey B Johnson – Chartered Accountant**  
**RUCKER DWC PTY LTD**  
**3 October 2012**

**Suite 12, 602 Whitehorse Road, Mitcham VIC 3132**

# STATEMENT OF FINANCIAL PERFORMANCE

## FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
Revenues from ordinary activities	2	2,353,871	2,368,004
Accounting expenses		(5,411)	(5,264)
Auditor's remuneration	12	(4,500)	(2,900)
CARS		(565,625)	(452,500)
Communications and marketing		(250,915)	(250,688)
Employee benefits expense		(570,533)	(510,229)
Depreciation and amortisation expenses	3	(4,853)	(5,711)
Industry initiatives		(43,539)	(3,951)
Information exchange		(576,815)	(144,617)
Police response			(18,233)
Public education		(583,750)	(627,973)
Sitting fee	10	(30,000)	(30,000)
Vehicle ID systems		(26,809)	-
Youth programs		(127,682)	(62,216)
Other expenses from ordinary activities		(107,501)	(114,698)
<b>Profit (loss) from ordinary activities before income tax</b>	3	<b>(544,062)</b>	<b>138,926</b>
Income tax revenue relating to ordinary activities			
<b>Net profit (loss) attributable to members of the association</b>		<b>(544,062)</b>	<b>138,926</b>
<b>Total changes in equity of the association</b>		<b>(544,062)</b>	<b>138,926</b>
Opening retained profits		2,168,004	2,029,078
Net profit (loss) attributable to members of the Company		(544,062)	138,926
<b>Closing retained profits</b>		<b>1,623,942</b>	<b>2,168,004</b>

*The accompanying notes form part of these financial statements.*

# STATEMENT OF FINANCIAL POSITION

## AS AT 30 JUNE 2012

	Note	2012 \$	2011 \$
<b>Current assets</b>			
Cash assets	4	2,021,372	2,412,077
Other	5	56,136	39,136
<b>Total current assets</b>		<b>2,077,509</b>	<b>2,451,213</b>
<b>Non-current assets</b>			
Property, plant and equipment	6	6,494	10,288
<b>Total non-current assets</b>		<b>6,494</b>	<b>10,288</b>
<b>Total assets</b>		<b>2,084,003</b>	<b>2,461,501</b>
<b>Current liabilities</b>			
Payables	7	214,541	153,601
Current tax liabilities	8	54,773	(10,062)
Provisions	9	190,747	149,958
<b>Total current liabilities</b>		<b>460,061</b>	<b>293,497</b>
<b>Total liabilities</b>		<b>460,061</b>	<b>293,497</b>
<b>Net assets</b>		<b>1,623,942</b>	<b>2,168,004</b>
<b>Equity</b>			
Retained surplus		1,623,942	2,168,004
<b>Total members' funds</b>		<b>1,623,942</b>	<b>2,168,004</b>

*The accompanying notes form part of these financial statements.*

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
<b>Cash flow from operating activities</b>		
Grants receipts	2,250,197	2,271,296
Payments to suppliers and employees	(2,743,516)	(2,194,381)
Interest received	103,674	96,708
<b>Net cash provided by (used in) operating activities (Note 2)</b>	<b>(389,645)</b>	<b>173,623</b>
<b>Cash flow from investing activities</b>		
<b>Payment for:</b>		
Payments for property, plant and equipment	(1,060)	
<b>Net cash provided by (used in) investing activities</b>	<b>(1,060)</b>	
<b>Net increase (decrease) in cash held</b>	<b>(390,705)</b>	<b>173,623</b>
Cash at the beginning of the year	2,412,077	2,248,563
<b>Cash at the end of the year (Note 1)</b>	<b>2,021,372</b>	<b>2,422,185</b>

*The accompanying notes form part of these financial statements.*

	2012 \$	2011 \$
<b>Note 1. Reconciliation of cash</b>		
For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.		
Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:		
Cash at bank	52,248	30,208
CBA cash management account	1,969,035	2,381,778
Petty cash on hand	88	91
	<b>2,021,372</b>	<b>2,412,077</b>

### Note 2. Reconciliation of net cash provided by/used in operating activities to operating surplus after income tax

Operating surplus after income tax	(544,062)	138,926
Depreciation	4,853	5,711
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in prepayments	(17,000)	16,440
Increase (decrease) in trade creditors and accruals	60,940	(25,293)
Increase (decrease) in employee entitlements	40,788	(1,070)
Increase (decrease) in sundry provisions	64,835	38,908
<b>Net cash provided by (used in) operating activities</b>	<b>(389,645)</b>	<b>173,623</b>

*The accompanying notes form part of these financial statements.*

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2012

### Note 1: Statement of significant accounting policies

The financial report is a special purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act Victoria.

The Committee has determined that the association is not a reporting entity.

The financial report covers National Motor Vehicle Theft Reduction Council Inc as an individual entity. National Motor Vehicle Theft Reduction Council Inc is an association incorporated in Victoria.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

#### Income tax

The association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. Therefore, no provision for income tax has been raised.

#### Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

##### a) Plant and equipment

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

##### b) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to National Motor Vehicle Theft Reduction Council Inc commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Asset	Depreciation Rate
<i>Leasehold improvements</i>	<i>Period of lease</i>
Office equipment	3 years
Computer equipment	3 years
Furniture and fittings	3 years

#### Employee entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Contributions are made by National Motor Vehicle Theft Reduction Council Inc to an employee superannuation fund and are charged as expenses when incurred.

# NOTES TO THE FINANCIAL STATEMENTS CONTINUED

## FOR THE YEAR ENDED 30 JUNE 2012

### Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

### Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

### Revenue

Revenue is recognised when the right to receive the revenue has been established.

Interest revenue is recognised when received.

All revenue is stated net of the amount of goods and services tax (GST).

	2012 \$	2011 \$
<b>Note 2: Revenue and other income</b>		
Revenue:		
Interest revenue	103,674	96,708
Grants received	2,250,000	2,250,000
Other income	197	21,296
	2,353,871	2,368,004

### Note 3: Profit from ordinary activities

Profit (loss) from ordinary activities before income tax has been determined after:

#### Charging as expense:

Depreciation of non-current assets:

Other	4,853	5,711
Total depreciation expenses	4,853	5,711

### Note 4: Cash assets

Bank accounts:

Cash at bank	52,248	30,208
CBA cash management account	1,969,035	2,381,778

Other cash items:

Petty cash on hand	89	91
	2,021,372	2,412,077

### Note 5: Other assets

Current

Prepayments	55,536	38,536
Other	600	600
	56,136	39,136

	2012 \$	2011 \$
<b>Note 6: Property, plant and equipment</b>		
Computers and office equipment:		
At cost	104,646	103,586
Less: accumulated depreciation	(98,152)	(93,298)
	6,494	10,288
Office plant and equipment:		
At cost	29,408	29,408
Less: accumulated amortisation	(29,409)	(29,409)
	6,494	10,288

### **Note 7: Payables**

Unsecured:

Trade creditors	214,541	153,601
	214,541	153,601

### **Note 8: Tax liabilities**

Current

GST payable control account	54,773	(10,062)
	54,773	(10,062)

### **Note 9: Provisions**

Current

Employee entitlements	190,747	149,958
	190,747	149,958

There were four employees at the end of the year.

### **Note 10: Remuneration and retirement benefits**

Directors' remuneration

Number of Directors whose income from the Company or any related parties was within the following bands:

\$30,000 to \$200,000	No. 2	No. 2
-----------------------	-------	-------

The names of Directors of the Company who have held office during the financial year are:

David Morgan  
Ron Arnold  
Mark Borlace  
Phil Allan  
Paul Anderson  
Raymond Carroll  
John Chapman  
Anthony Coles  
Chris McNally  
Karl Sullivan

# NOTES TO THE FINANCIAL STATEMENTS CONTINUED

## FOR THE YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
<b>Note 11: Superannuation commitments</b>		
The entity provides choice of superannuation fund to provide benefits to employees on retirement, death or disability.		
<b>Note 12: Auditors' remuneration</b>		
Remuneration of the auditor of the Company for:		
Auditing or reviewing the financial report	4,500	2,900
Other services		
	4,500	2,900
<b>Note 13: Contingent liabilities</b>		
Estimates of material amounts of contingent liabilities, not provided for in the accounts, arising from:		
The entity:		
Automotive social enterprise	360,000	200,000
OBB grants	-	200,000
Electronic vehicle ID	-	30,000
SWO implementation grant	-	80,000
Youth education project	-	45,000
	360,000	555,000

### **Note 14: Events subsequent to reporting date**

The NMVTRC is funded on a triennial basis by all states and territories and the insurance industry and the NMVTRC is currently negotiating a new funding agreement for the 2012-2015 period.

In the event funding agreements cannot be secured the NMVTRC would be required to cease operations by the end of 2012.



# APPENDICES

## Australia – Short term theft snapshot, 2011/12

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUS
PLC	629	11,633	664	7,493	2,923	1,140	8,240	4,620	37,342
Change from 2010/11	-171	-103	-8	1,543	-166	-284	87	872	1,770
% Change	*	-1%	*	26%	-5%	*	1%	23%	5%
Motorcycles	23	655	114	660	238	48	488	1,192	3,418
Change from 2010/11	0	-5	11	91	38	-13	120	-101	141
% Change	*	-1%	*	14%	19%	*	37%	-8%	4%
Other vehicle types	58	408	26	462	36	27	295	224	1,536
Change from 2010/11	13	-8	-4	73	-30	-35	50	-5	54
% Change	*	-2%	*	19%	-46%	*	20%	-2%	4%
Total theft	710	12,696	804	8,615	3,197	1,215	9,023	6,036	42,296
Change from 2010/11	-158	-116	-1	1,707	-158	-332	257	766	1,965
% Change	*	-1%	*	25%	-5%	*	3%	15%	5%

## Australia – Profit-motivated theft snapshot, 2011/12

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	AUS
PLC	139	5,332	69	1,820	836	155	2,485	814	11,650
Change from 2010/11	-58	-30	24	184	129	45	361	239	894
% Change	*	-1%	*	11%	18%	*	17%	42%	8%
Motorcycles	37	967	68	1,044	368	47	1,135	952	4,618
Change from 2010/11	8	-246	-2	236	30	14	80	75	195
% Change	*	-20%	*	29%	9%	*	8%	9%	4%
Other vehicle types	82	310	4	294	59	58	239	264	1,310
Change from 2010/11	18	-64	3	64	7	4	-12	18	38
% Change	*	-17%	*	28%	14%	*	-5%	7%	3%
Total theft	258	6,609	141	3,158	1,263	260	3,859	2,030	17,578
Change from 2010/11	-32	-340	25	484	166	63	429	332	1,127
% Change	*	-5%	*	18%	15%	*	13%	20%	7%

\* Percentages are not given for small jurisdictions as they can be misrepresentative of small base line changes.



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Council Inc**

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