



Motor Accident Insurance Commission

Annual Report 2004-05

Communication Strategy

This annual report has been prepared to provide an overview of the operation of Queensland's Compulsory Third Party (CTP) insurance scheme and the Commission's approach to the management and regulation of the scheme.

The report addresses the informational needs of a diverse group of readers including: policy holders, claimants, underwriters, legal and medical professionals, motoring and motor trade organisations, government, media and other regulatory organisations.

This document includes the Commission's strategic plan, statistical information relating to the scheme, and the audited financial statements of both the Motor Accident Insurance Commission and the Nominal Defendant.

Further information on the CTP scheme and the Commission's operations can be found at www.maic.qld.gov.au or by telephoning the CTP Helpline on 1300 302 568.

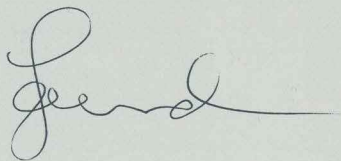


The Honourable Anna Bligh MP
Deputy Premier, Minister for Finance,
Minister for State Development, Innovation and Trade
Parliament House
Cnr George and Alice Streets
BRISBANE QLD 4000

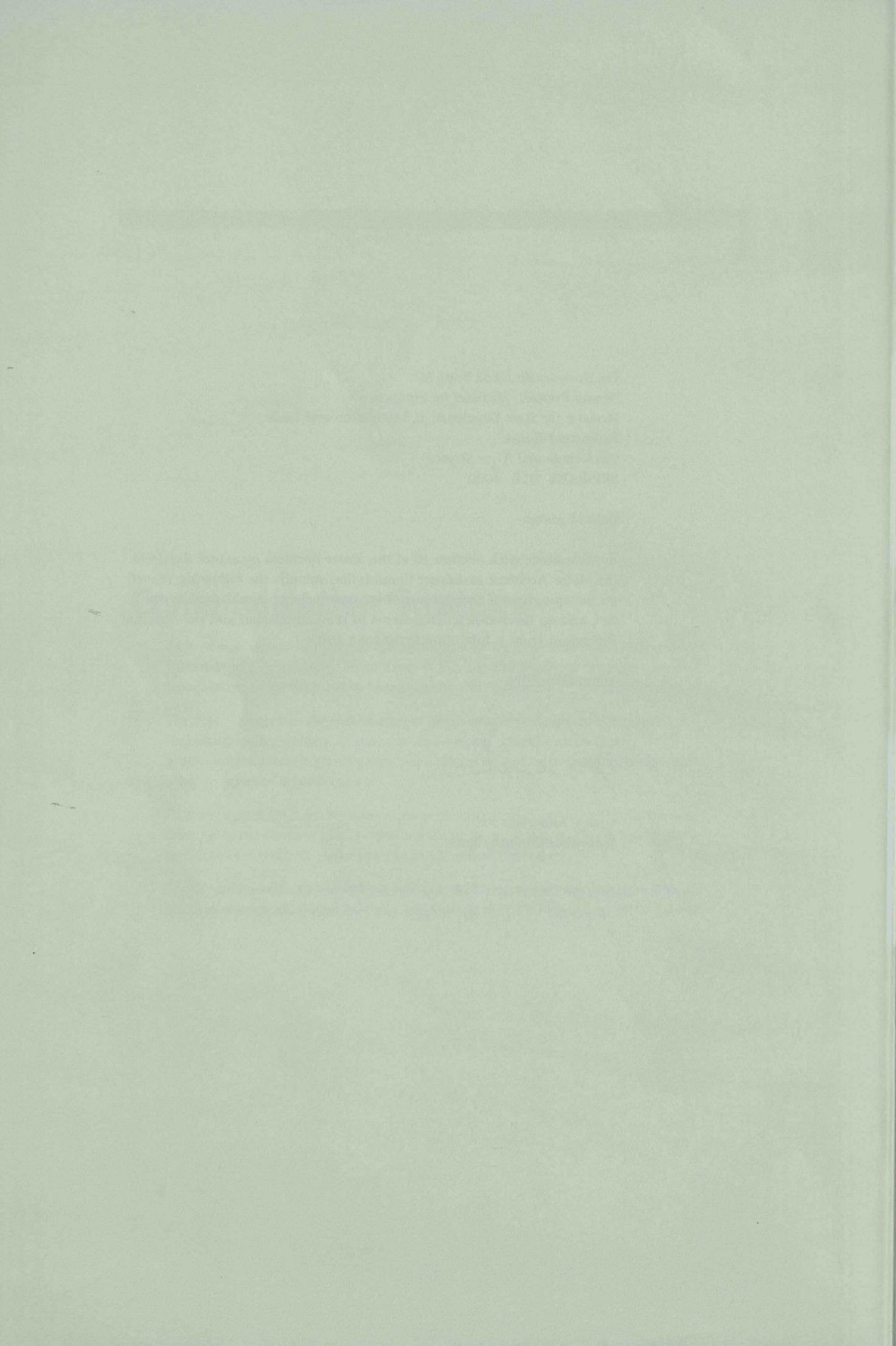
Dear Minister

In accordance with Section 19 of the *Motor Accident Insurance Act 1994*, the Motor Accident Insurance Commission submits the following report on the operation of the statutory insurance scheme established by the Act, and on the financial statements of the Commission and the Nominal Defendant from 1 July 2004 to 30 June 2005.

Yours faithfully



Lesley Anderson
Insurance Commissioner



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About the Commission

What is the Motor Accident Insurance Commission?

The Motor Accident Insurance Commission is responsible for regulating and ongoing management of the Queensland's Compulsory Third Party Insurance (CTP) scheme and the Nominal Defendant Fund.

Established under the *Motor Accident Insurance Act 1994* (the Act), the Commission commenced operations on 1 September 1994 as a statutory body reporting to the Treasurer. It provides a framework for premium setting and ensures compliance with the provisions of the Act.

What is our scheme?

Since 1936, Queensland has operated a common law fault based CTP motor vehicle insurance scheme. The scheme provides motor vehicle owners with an insurance policy that covers their unlimited liability for personal injury caused by, through or in connection with the use of the insured motor vehicle in incidents to which the Act applies.

For those injured in motor vehicle accidents, the scheme provides modified access to the common law where the injured party can establish negligence against an owner or driver. Because the scheme is a fault based scheme, circumstances can arise where a driver who is solely at fault in an accident cannot obtain compensation because there is no negligent party against whom he or she can bring an action.

Six private licensed insurers currently underwrite the Queensland CTP scheme. The licensed insurers accept applications for insurance and manage claims on behalf of their policy holders.

A competitive premium model allows insurers to set their premiums for each class of motor vehicle within floor and ceiling premium bands set by the Commission. An efficient system of premium collection through the motor vehicle registry of Queensland Transport minimises administration costs within the scheme and provides motorists with a relatively convenient form of transaction. New initiatives have been introduced to assist motorists in deciding the insurer of their choice and in obtaining premium information.

The office of the Nominal Defendant acts as an insurer where damages are claimed for personal injury arising from the liability of uninsured motor vehicles and unidentified motor vehicles. The Nominal Defendant, in the event of insolvency of an underwriting CTP insurer, has a legislated role to meet the cost of claims against that insurer.

CTP premiums in Queensland remain relative to other States and can be considered good value for money as they provide injured persons with access to common law benefits and, whilst there are limits on certain heads of damage, there are no threshold entry levels.

Although the structures of the schemes differ, all CTP authorities in Australia participate in regular forums to address common issues for all the state schemes.

Our role

The Commission's role includes advising the Government on the ongoing suitability of the scheme in providing a balance between the needs of the stakeholders.

The primary activities of the Commission include:

- licensing Queensland CTP motor vehicle insurers and monitoring the financial strength of insurers in relation to their CTP operations. Insurers' overall financial strength is the responsibility of the industry regulator, the Australian Prudential Regulation Authority
- monitoring scheme trends and the performance of CTP insurers based on scheme data and independent actuarial analysis
- setting premium bands and recommending levies
- liaising and coordinating the government process and providing advice on the CTP scheme and other insurance matters
- maintaining a claims helpline service and a premium information line for Queensland motorists
- managing claims lodged against the Nominal Defendant and investment of claim reserves.

The Commission is also active in programs to minimise and mitigate the effects of motor vehicle accidents through the provision of funding for education and research.

Our vision

To lead the way in the provision of effective and efficient personal injury insurance schemes.

Our mission

Provide the most viable and equitable personal injury compensation scheme, including a Nominal Defendant Scheme. In pursuit of our mission we will provide and regulate, for Queensland, a CTP scheme encompassing accident prevention and injury management.

Our core values

Commitment

We are committed to accomplishment of the organisation's mission and objectives.

Communication

We value effective communication and information sharing between the organisation, stakeholders and clients.

Achievement

We strive to achieve individual and organisational goals through teamwork, service and leadership.

Integrity

We serve the people of Queensland with honesty, trust and sincerity.

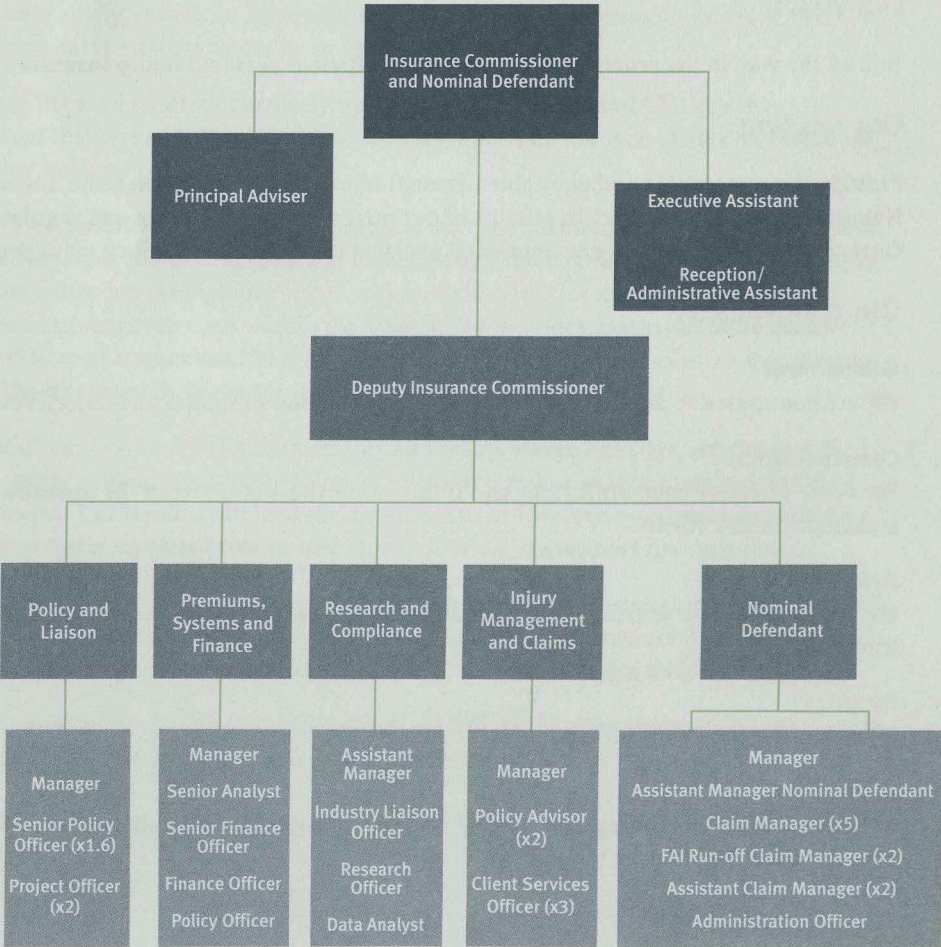
Innovation

We endeavour to be leading edge in technological competence and effectively apply technology in performing tasks.

Management and Organisational Structure



Front row, from left: Lesley Anderson, John Hand. Back row, from left: Neil Tomkins, Mark Allsopp, Greg Bott , Kim Birch



Insurance Commissioner

Lesley Anderson, B.Comm(Hon), M.Ec(Hon)

Appointed as Insurance Commissioner in November 1996. Previous experience with Reserve Bank of Australia in Sydney and five years in Queensland Treasury providing broad level policy advice relating to financial institutions, superannuation, workers' compensation and compulsory third party.

Deputy Insurance Commissioner

John Hand, AAIL, CIP

Appointed to the Commission in 1993. Responsibilities include the development of new legislation and supporting systems. Insurance career spanning more than 35 years, predominantly in personal injury, encompassing high-level policy advice to government and management at senior levels.

Manager, Nominal Defendant

Mark Allsopp, ANZII(Fellow), MBA

Appointed as Manager, Nominal Defendant, in 2004. More than 13 years experience in compulsory third party claims management and 22 years previous experience in various facets of general insurance.

Manager, Injury Management and Claims

Kim Birch, B.HSc., RN

Appointed as Manager, Injury Management and Claims, in 2001. Nursing background covering all areas of clinical care and management and a further 6 years experience with the insurance industry working with compulsory third party claims prior to her appointment to the Commission.

Manager, Systems and Finance

Greg Bott, B.Bus(Accy), Grad.Dip.App.Fin & Inv., CPA, ASIA

Appointed as Principal Policy Adviser in 1993. Accountancy background covering the chartered profession, commerce and industry and the public sector including more than 14 years experience in accident compensation insurance.

Manager, Policy and Liaison

Neil Tomkins, B.Bus(Comm)

Appointed as Manager, Policy and Liaison in 1998. More than 35 years insurance experience in life and general insurance.

Principal Adviser

Les Kilmartin

Appointed as Principal Adviser in October 2003 after 8 years as Manager, Nominal Defendant, and 30 years previous experience in general insurance.

Commissioner's Report



Lesley Anderson

Insurance
Commissioner

Balancing scheme outcomes

The challenge for the Commission in maintaining a viable and equitable CTP scheme is ensuring the right balance between injured persons and the premium-paying motorist. Achieving this balance is never an easy task as an increase in the number of claims and the amount of compensation paid to claimants inevitably means an increase in premiums for motor vehicle owners.

Over the last twelve months the Commission has been closely monitoring the impact of legislative changes to the scheme aimed at containing the frequency and cost of minor claims, whilst maintaining or improving the ratio of payments made in respect of serious claims. In long-tail business such as CTP, where claims can take a long time to settle, whenever reforms are introduced a balance needs to be struck between giving motorists the benefits of premium reductions on the estimated impact of the reforms, and providing the underwriting insurers with a degree of conservatism in case the reforms do not work as intended. Although it is still early in terms of maturity of data, it is evident that the combination of amendments made to the *Motor Accident Insurance Act 1994* in 2000 and the introduction of the injury scale values (ISVs) provided for in the *Civil Liability Act 2003*, are bringing the scheme back into balance.

Since July 2004, there has been a downward trend in CTP premiums with all insurers filing below the ceiling for Class 1 vehicles. (Insurers file premium rates each quarter, subject to a floor and ceiling range determined by the Commission in consultation with its independent actuary and advisory committee). For the 1 July 2004 quarter, the ceiling premium was reduced from \$357.00 to \$335.80. The scheme data for December 2004 revealed that scheme utilisation and claim frequency had dropped to its lowest value since the current scheme commenced in 1994. There was a further \$5.00 reduction in the ceiling for the 1 January 2005 quarter. The ceiling for the April quarter remained constant.

Whilst recent trends are encouraging, the Commission will continue to monitor developments to ensure the benefits of tort reform continue to flow through to motorists in the form of affordable premiums. At the same time, the long established and fundamental rights of injury victims to be properly and fairly compensated commensurate with their injuries must be preserved.

In the context of insurance reforms, there has been a great deal of discussion this year amongst all State Governments and scheme regulators regarding the feasibility of establishing a nationally consistent, long-term care scheme for the catastrophically injured. The objective of a long-term care scheme is to provide prescribed care services to all eligible claimants for their lifetime. In turn, these claimants would no longer be eligible for lump sum care awards under common law schemes. The Commission has been participating in policy discussions and is monitoring developments in other jurisdictions.

Mitigating risk (*APRA arrangements*)

Under the *Motor Accident Insurance Act 1994*, the State Government, through the Nominal Defendant, bears the ultimate risk in the event that a participating CTP insurer becomes insolvent. With the State's exposure to CTP liabilities being in the order of \$2.5 billion in aggregate, a major failure would have significant consequences for the State's finances. In the case of HIH, the exposure realised was in excess of \$400 million.

Whilst the primary responsibility for the ongoing solvency of insurers rests with the Commonwealth Government, the State Government has a vested interest in the solvency of its CTP insurers. Following the collapse of HIH, the Commission undertook an in-depth analysis of the structural options available to mitigate the Government's exposure to failure of a Queensland licensed CTP insurer.

After examining a range of alternative scheme structures to limit the State's risk, it is intended at this stage to rely on the strengthened regulatory system of the Australian Prudential Regulation Authority (APRA). It is APRA's role to protect the interests of policyholders of all insurers licensed under the *Insurance Act 1973 (Commonwealth)* within the broader context of economic efficiency. As such, only APRA has the resources and powers to supervise an insurer's entire operations. The Commission's role is limited under the *Motor Accident Insurance Act 1994* to managing the risks arising from the CTP component of a Queensland-licensed CTP insurer's business. In order to fulfil its role, the Commission requires effective information exchange with APRA and the Commission is putting in place processes which complement those of APRA.

A Memorandum of Understanding between the Commission and APRA is currently being finalised to formalise arrangements for the information exchange relating to Queensland CTP insurers. It will detail the type of information required by the Commission and when that information will be required. It also reflects enhancements to the Commission's processes which should complement APRA's supervisory processes. These include:

- increased requests for supply of information by insurers to the Commission;
- more frequent tripartite meetings between APRA, the Commission and individual licensed insurers;
- insurers' standing written authority for the Commission to access any reports, submissions or correspondence provided to APRA by the insurer, that are of interest to the Commission;
- provision to the Commission of insurers' submissions to, and reports from, ratings agencies; and
- commissioning from time to time, and after consultation with APRA, special investigations into selected aspects of the insurer's business.

A focus of the information exchange is that the non-CTP business of an insurer licensed to underwrite Queensland CTP can have an impact on CTP assets, as can contagion risk from other operations of the group.

Nominal Defendant (including FAI liabilities)

As CTP is a compulsory product, the *Motor Accident Insurance Act 1994* establishes the Nominal Defendant as a government instrumentality to act as insurer for claims arising from unidentified and uninsured vehicles and to provide continuity of protection if a licensed insurer becomes insolvent (and thereby unable to meet the cost of claims). The Nominal Defendant is funded by a levy in the premium, the details of which are reported under 'Funding and Levies' on page 21 of this report.

Following the collapse of HIH Insurance, the Nominal Defendant was required to meet the CTP claims liabilities of FAI Insurance. As at 30 June 2005, the number of claims remaining in the FAI tail was 515 (including managed and non-managed claims), down from 1057 in the previous financial year. Outstanding liabilities are estimated at \$95 million. The remaining claims are generally claims for serious injury with a higher average claims cost. The Nominal Defendant has a representative on the HIH Liquidator's Committee of Inspection, working through issues in relation to the proposed Scheme of Arrangement, which is currently experiencing some unavoidable delays.

Scheme monitoring

A key function of the Commission is the monitoring of claims managed by insurers, which includes the claim management process and data reporting. In performing this role, the Commission obtains from licensed insurers a comprehensive range of data on all claims under their management which is then submitted to the Personal Injury Register (PIR). The type of information captured includes accident details, injury descriptors including injury coding, liability status and settlements paid by head of damage.

Coinciding with the implementation of the ISVs for general damages introduced under the *Civil Liability Act 2003*, the PIR data fields were modified to capture the ISV item number and the ascribed point value. Early indications are that the introduction of the *Civil Liability Act 2003* has assisted in the early settlement of claims, although a more definitive assessment on the impact of the legislation can only be made as more data becomes available.

The PIR database is the major source of information used by the Commission and its appointed actuaries in identifying scheme trends, determining premium bands, identifying priorities for funding initiatives and detecting and preventing fraud. It is critical that the data contained in the PIR database is accurate and reliable. To ensure the integrity of data, the Commission undertakes regular audits, provides training and technical support to insurers, and facilitates workshops to provide guidance on injury coding issues.

Over the last 12 months, the Commission has undertaken a number of claims management reviews focusing on issues identified through the PIR database, regular stakeholder meetings, written complaints and calls received via the CTP Helpline. Where deficiencies in complying with legislative obligations were identified, these were discussed with the relevant insurer and strategies developed to ensure compliance and improve claims management processes.

In monitoring insurers' compliance with their rehabilitation obligations, the Commission has developed standards for insurers which will provide a framework in future years for the Commission to assess the performance of each insurer in providing reasonable and appropriate rehabilitation to claimants.

Research initiatives *(info + edn)*

The Commission continues to fund programs which will endeavour to provide long-term benefits to Queensland motorists in relation to injury prevention and mitigation.

This year, the Commission has commenced funding a 3 year project in conjunction with the Australian Research Council, Suncorp and the Centeno Clinic in Colorado, USA, that will undertake a major international study into the prediction of outcome following whiplash injury. This project is led by the University of Queensland.

Whiplash Associated Disorders represent in excess of 50% of all personal injury claims in the scheme. Of this group, a proportion goes on to develop residual problems that can impact on quality of life and economic capacity which also contributes substantially to CTP costs in Queensland. The total amount of damages and payments made since scheme inception in 1994 for whiplash-only injuries exceeds \$1 billion. Research initiatives aimed at minimising disability amongst this group will assist in reducing the long-term costs to the scheme.

The Commission continues to fund the Centre of National Research on Disability and Rehabilitation Medicine (CONROD) and the Centre for Accident Research and Road Safety-Queensland (CARRS-Q). Both centres are now evolving from an establishment phase with heavy reliance on the Commission's funds, to a phase of consolidation where they are able to successfully compete for alternative external funding.

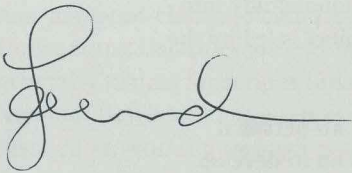
This year CONROD has continued to make progress into enhancing the injury and rehabilitation component of the medical course offered by the University of Queensland. Specific content enhancements have included topics on injury management and rehabilitation of acquired brain injury, acute spinal injury and whiplash.

Commissioner's Report Continued

Outlook

In the year ahead, the Commission will focus on the mitigating risk initiatives, and on monitoring scheme developments as more data becomes available on the impact of tort reform.

The Commission has the benefit of experienced and committed staff who all play their part in carrying out the diverse roles of the Commission and Nominal Defendant. I extend my thanks to the staff for their efforts over the past year.

A handwritten signature in black ink, appearing to read 'Lesley', with a long horizontal flourish extending to the right.

Lesley Anderson
Insurance Commissioner

Recent achievements – CTP scheme

- Recorded downward trend in CTP premiums during 2004-05. This trend is attributed to amendments to the scheme in 2000 and the introduction of the Injury Scale Value for general damages under the *Civil Liability Act 2003*.
- Established the CTP premium information line and CTP premium calculator on the Commission's website with the website recording an average of 3500 visits per month.
- Set quarterly CTP premium bands during 2004-05 and recommended levies and administration fees to apply in 2005-06.
- Linked the Commission's funded researchers with CTP industry rehabilitation advisers so the grants funding program is better aligned with the scheme's overall rehabilitation research and education needs.
- Worked in partnership with stakeholders throughout Australia to examine the feasibility of a long-term care scheme for motor accident victims and other persons requiring long-term care.
- Continued examination of the Queensland Government's options to mitigate the Government's risk from the insolvency of a CTP insurer.
- Made significant progress on the implementation of the new Personal Injury Register (PIR) database which maintains a current register of all claims lodged for personal injury under the CTP scheme, and is used by the Commission to monitor the progress of the scheme.
- Made significant progress on the development of a complete recordkeeping system to ensure compliance with standards and a best practice approach to recordkeeping.

Recent achievements – Nominal Defendant

- Conducted annual review of outstanding claim liabilities in relation to the Nominal Defendant and FAI Run-off claims in conjunction with the consulting actuaries.
- Reviewed Nominal Defendant annual levy and set it at \$12.95, excluding the HIH component of the levy, for class 1 vehicles (sedans and station wagons) from 1 July 2005, an increase of only ten cents on the 1 July 2004 levy.
- Finalised 311 Nominal Defendant claims during the year; 798 claims remain active.
- Claims monitoring resulted in the notification of 2 suspected fraudulent claims to the Commission.
- Recovery action was concluded on 73 files during the year. Claims recoveries (from debtors) amounted to \$278,505.93 for the year. Recovery action is continuing on a further 245 files.
- Negotiated a reinsurance contract on favourable terms for the Nominal Defendant in a difficult reinsurance market.
- Tested and released the new Nominal Defendant Claims Management System.
- Reduced the temporary claim manager positions specifically handling FAI tail claims from five to two; 395 FAI tail claims remained active at 30 June 2005.
- Successfully completed four sharing cycles for FAI tail claims.
- McGrath Nichol and Partners (the HIH Liquidators) completed audit verification of proof of debt data in relation to the FAI tail claim payments.
- Made significant progress on the development of a complete recordkeeping system to ensure compliance with standards and a best practice approach to recordkeeping.

Recent achievements – grants

- An industry partner funding contribution was made to an Australian Research Centre (ARC) Linkage Grant awarded to the University of Queensland which is looking at the prediction of outcome following whiplash injury. The outcome of this research project will be further knowledge in predicting those claimants who are likely to have a poor recovery.
- The Commission's investment in Centre of National Research on Disability and Rehabilitation Medicine (CONROD) and Centre for Accident Research and Road Safety Queensland (CARRS-Q) over the past decade has seen tangible benefits for the Queensland community, with the development of two highly skilled research teams and networks that understand injury and can put into place research and educational activities.
- The initial investment in developing an Accessible Tertiary Education Program at James Cook University for people with disabilities has resulted in a program that is now embedded within the University's range of options for students with a disability. The program aims to improve the educational opportunities for people with disabilities.
- The Rural and Remote Safety Research Program, through CARRS-Q, aims to reduce the incidence and impact of road crashes in rural and remote Queensland. Crash patients are now being interviewed to learn what may have contributed to their crashes and researchers are undertaking interviews at or near accident locations seeking information from other motorists about their trip, driving and ideas about road safety.
- Utilisation and development of funding agreements, Key Performance Indicators, the database for grants management and compliance checks to ensure effective use of funding in the areas of injury prevention and control are ongoing.
- Sponsorship of a number of seminars and workshops with the purpose of educating and informing communities and clinicians on the burden of injury and the management of trauma. These sponsorships contribute to the objective of improving quality of life for people injured in motor vehicle accidents through improved service delivery and increased community awareness.

Staff Matters



The Motor Accident Insurance Commission acknowledges the commitment and knowledge of its people who contribute to the overall performance of the Commission and Nominal Defendant.

Over recent years, the Commission has focused on improving its staffing capability to enable the Commission to respond in a more rigorous manner to emerging trends in the CTP scheme, as well as general insurance industry developments which may impact on the scheme.

During the financial year 2004-05, the Nominal Defendant has undertaken team assessment aimed at the continued development of the functions of the Nominal Defendant. The outcomes incorporate the implementation of several key initiatives aimed at improved team effectiveness, enhanced performance management and refined procedures and processes.

In the current year the Commission will also perform a stocktake of its activities and examine levels of resourcing, team structure, team interactions and the management hierarchy. The aim of the review is to ensure the Commission is structured to meet future demands and is able to fulfil its functions in the most efficient and effective manner.

The Commission is additionally focused on developing and enhancing records management practices to comply with information standards. All Commission staff have been involved in work on this important program.

The permanent staffing level for the Commission's core activities and the Nominal Defendant team has remained constant over the 2004-05 reporting period, averaging 35 full-time employees.

Recently the Commission appointed Rebecca Lai to a permanent Client Services Officer position, and two temporary staff members, Helen Grundy and David Judd, to fill temporary vacancies in the client services area. Among other duties, the roles provide the primary point of contact on issues regarding the CTP scheme and claims processes, and contribute to the Commission's ability to provide a high standard of customer service to scheme stakeholders.

Staff Matters Continued

In August 2005, the Commission farewelled Julie Vilenica, Executive Assistant to Lesley Anderson, after seven years in the position. Julie was a highly regarded staff member whose valued support to Lesley and the Commission was very much appreciated.

The FAI Run-off team was established from 1 July 2004 as a temporary unit to manage the outstanding FAI claims, previously managed by Allianz Insurance. The unit consisted of Don Sacre (Assistant Manager), Kevin Lee, Pippa McWha, Michael Walpole and Adrian Ryan. Over the past year the unit capably met the challenges of the transition of the files and the ongoing management of the claims, and their commendable efforts are acknowledged. With the fall in the number of outstanding claims, the Run-off operation has now been merged with the Nominal Defendant team. Adrian Ryan has moved on to alternative employment and Don Sacre is currently Acting Assistant Manager, Nominal Defendant, while Rob Lee is on extended leave.

The Commission is participating in the "Breaking the Unemployment Cycle" program with the appointment of a trainee, James Saunders. This program is a whole of Queensland Government initiative which provides a 12 month full-time traineeship within a structured training employment environment.

In promoting improved staff capability, the Commission encourages the development of a broad range of skills, knowledge and experience while tracking development with ongoing performance assessments. Through this process, staff are also encouraged to undertake formal and informal education and training.

In accordance with the legislation, this report only covers operations relating to the CTP scheme, although the Commission has a broader role in providing insurance advice to the Government, especially in relation to the oversight of the Queensland Government Insurance Fund (QGIF) and issues relating to public liability insurance. Formal and financial reporting in relation to QGIF and liability insurance matters is included in Queensland Treasury's Annual Report.

Strategic Plan 2005-2010

Output description

The Motor Accident Insurance Commission is responsible for the ongoing management of the Compulsory Third Party (CTP) insurance scheme and the Nominal Defendant Fund under the *Motor Accident Insurance Act 1994*.

Activities include:

- licensing, supervising and monitoring the financial strength of insurers CTP operations
- maintaining a claims helpline service and a premium information line for Queensland motorists
- managing grant and sponsorship commitment to essential agencies
- setting premium bands and recommending levies
- coordinating the government process and providing advice on the CTP scheme
- monitoring scheme trends and performance of CTP insurers based on scheme data and independent actuarial analysis
- managing claims lodged against the Nominal Defendant and investment of claim reserves.

Key issues facing the Commission

- Continuing enhancement of the Commission regulatory and monitoring roles.
- Review of legislative framework for monitoring the performance of insurers' claims management.
- Implementation of legislative requirements and information standards in relation to recordkeeping and information management.
- Finalisations of the FAI claims and recovery of insolvency dividends.
- Managing the risk to the Queensland Government of potential CTP insurer failure.

Strategic Plan 2005-2010 Continued

Strategic priorities

- Developing an enhanced relationship with the prudential supervisor, the Australian Prudential Regulation Authority, and establishment of additional Commission's processes.
- Working in partnership with stakeholders to improve CTP scheme outcomes.
- Developing a more comprehensive regulatory framework (including standards) to effectively monitor insurers' claims management and the provision of rehabilitation.
- Maintaining an up-to-date knowledge of the CTP scheme and associated issues including national issues.
- Developing information for the Queensland Government's policy position on long-term care.
- Developing a new recordkeeping and information management system that is reliable and compliant with legislation, policy and information standards.
- Ensuring financial compliance by transition to International Financial Reporting Standards.
- Monitoring and managing any changes to the regulatory framework for the CTP scheme which may arise from emerging issues.
- Increasing the effectiveness of the CTP scheme data analysis and audits.
- Maintaining high quality claim management in Nominal Defendant.

Capability Priorities

Communication

- Improving knowledge sharing within teams and across the Commission.
- Maintaining an open communication environment.

Conceptual and analytical

- Developing the ability to review, evaluate processes and outcomes, and identify ways to improve business outcomes.
- Developing appropriate methodologies and tools that can be used accurately and consistently.
- Developing the ability to identify emerging trends and issues.
- Utilising client knowledge to explore opportunities and understand client needs and the business environment.

Output management

- Prioritising workloads to meet agreed timeframes and outcomes.
- Successfully managing staff resources through position assessment, task prioritisation and re-assignment, and the provision of development opportunities and multi-skilling by back-filling positions.
- Providing appropriate training and development to facilitate the business's needs.

Internal and external client relationships

- Building and maintaining client and stakeholder relationships through ongoing consultation, seeking and providing feedback, keeping clients and stakeholders informed of purpose, direction and intentions.
- Maintaining regular contact with stakeholders.
- Ensuring cross team representation and participation in business activities.

Leadership and interpersonal style

- Listening to each others' views and opinions.
- Encouraging development opportunities on offer within Treasury.
- Developing a strong crisis management ability and showing a high level of personal commitment and accountability.
- Allowing personal direction, responsibility and ownership.

Knowledge and technical skills

- Identifying individual training and development needs through the Individual Performance System.
- Maintaining currency of knowledge of industry and legislation through information exchange and team meetings.
- Encouraging job rotations.
- Providing opportunities to attend professional development, industry training and seminars.

Funding and Levies

The Motor Accident Insurance Commission is funded by a statutory insurance scheme levy as part of the CTP premium. From 1 July 2004 the levy was set at \$1.55 per vehicle. For the year 2004-05 the levy produced income of \$4.54 million. The Commission also has available the interest earned on investment of the Motor Accident Insurance Fund and revenue from compliance fines. These amounts, combined with any surplus after operating expenses from the statutory insurance scheme levy, fund the Commission's research initiatives. As of 1 July 2005, the statutory insurance scheme levy will remain unchanged at \$1.55 per policy.

The Nominal Defendant operation, which covers the liabilities of uninsured and unidentified vehicles, is funded by a levy within the CTP premium which varies by vehicle class. The levy is set on the basis of an actuarial assessment of claim trends. From 1 July 2004, for Class 1 vehicles the levy was set at \$17.85. For the reporting period, the earned income from the levy totalled \$49.75 million. The Nominal Defendant levy from 1 July 2005 is set at \$17.95 for Class 1 vehicles.

Upon the insolvency of FAI General Insurance Company Ltd on 15 March 2001, the Nominal Defendant assumed responsibility for claims against FAI policies that had expired as at 31 December 2000. The Nominal Defendant levy includes \$5 from 1 October 2001 to assist with the funding of these CTP liabilities. Earned income from this component was \$13.711 million over the reporting period (included in the above amount of \$49.75 million). The Queensland Government continues to provide substantial additional funding to supplement the shortfall.

The Hospital and Emergency Services levy is designed to cover a reasonable proportion of the estimated cost of providing public hospital and public emergency services to motor vehicle accident victims who are using such services and who are claimants or potential claimants under the CTP scheme. The levy amount calculated varies by vehicle class. For the reporting period commencing 1 July 2004, the Class 1 levy was an annual \$8.90 per policy. The collected income from the levy for the financial year was \$25.545 million which was split into \$17.617 million for Hospital and \$7.928 million for Emergency Services. As of 1 July 2005, the Hospital and Emergency Services levy is set at \$9.20 for Class 1 vehicles.

The Act provides for an administration fee to be paid to Queensland Transport for delivering services in the administration of the statutory insurance scheme. The current fee of \$7.50 per vehicle has been maintained for the last two years. For the reporting period 2004-05 an estimated total levy of \$23.798 million was collected by Queensland Transport.

Corporate Governance



The operations of the Motor Accident Insurance Commission are governed by the *Motor Accident Insurance Act 1994*. Under this legislation the Insurance Commissioner, in the Commissioner's official capacity, constitutes the Commission. The Insurance Commissioner is also the Nominal Defendant and is appointed under the *Public Service Act 1996* with responsibility for the administration of the Act, the Motor Accident Insurance Fund and the Nominal Defendant Fund.

The Insurance Commissioner reports to the State Parliament through the Minister for Finance and prepares an annual report required by the *Financial Administration and Audit Act 1977* and under section 19 of the *Motor Accident Insurance Act 1994*. Regular status reports on the Commission's operations are also provided to the Under Treasurer.

The Commission operates within a framework of policies and procedures established by the Queensland Government, including the requirements of the *Financial Administration and Audit Act 1977*.

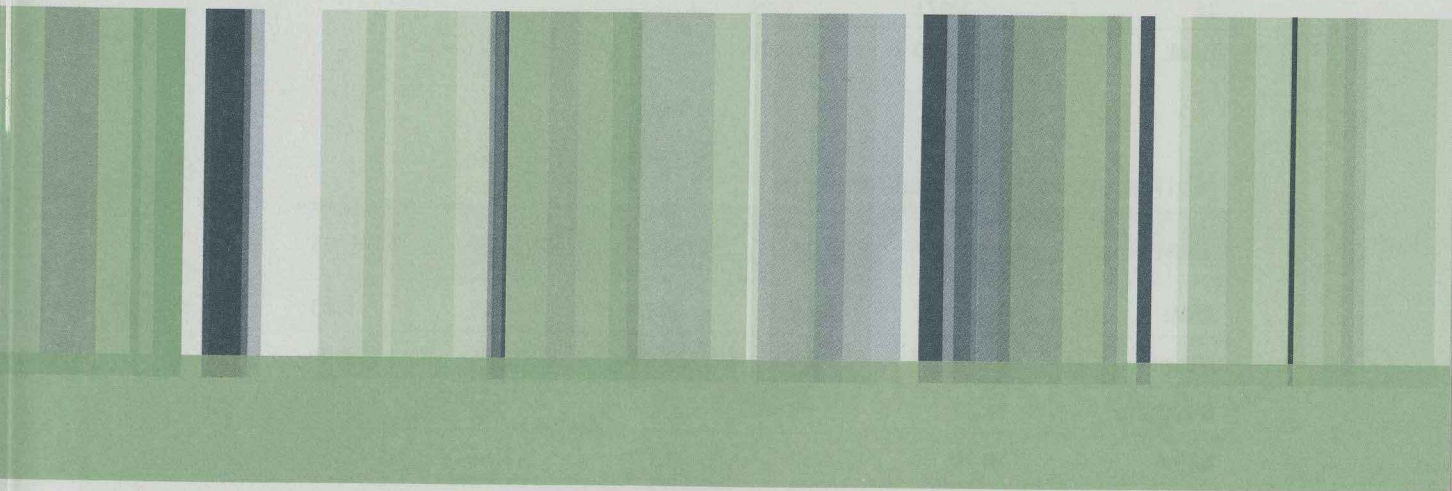
Internal Audit

Corporate Solutions Queensland provides internal audit services to the Commission. When working with the Commission and the Nominal Defendant, the internal audit's aim is to assess financial and administrative control systems and to seek to improve the organisation's management of, and accountability for, the use of resources. It also aims to address, at a strategic level, key risk areas and corporate governance issues.

The results of all internal audits are reported to the Under Treasurer and include opinions regarding the adequacy and effectiveness of financial, operational, administrative and computer controls. Additionally, recommendations may be made for strengthening and enhancing controls if any weaknesses or breakdowns are evident.

The most recent audits undertaken for the Commission were reviews of the processes and procedures utilised in the management of the Commission's Personal Injury Claims Database, and a review of information security systems.

Statistical information
2004-05



Motor Accident Insurance Commission



Statistical information 2004-05

Insured vehicles by Class as at 30 June 2005

Class	Total vehicles	Percentage
01	2,057,904	71.11
02	7,594	0.26
03	2,490	0.09
04	26,889	0.93
05	10,177	0.35
06	505,383	17.46
07	56,186	1.94
08	5,381	0.19
09	3,414	0.12
10	3,543	0.12
11	4,692	0.16
12	38,132	1.32
13	62,458	2.16
14	23,862	0.82
15	8,380	0.29
16	795	0.03
17	42,411	1.46
19	16,206	0.56
20	7,993	0.28
21	4,399	0.15
23	4,489	0.16
24	1,071	0.04
Total	2,893,849	100.00

Premium, levy and fee collection

1 July 2004 to 30 June 2005	Dollars ('000)
Insurance Premiums	1,001,258
Nominal Defendant Levy	-50,882
Statutory Levy	-4,541
Hospital Levy	-17,617
Emergency Services Levy	-7,928
Transport Fee	-23,798
Insurers Premiums	896,492

Market share – licensed insurers

Insurer	30/6/01	30/6/02	30/6/03	30/6/04	30/6/05
AAMI	5.27	5.14	4.94	4.65	5.13
Allianz	4.72	4.64	22.89	22.76	23.24
FAI Allianz	21.61	18.63	–	–	–
NRMA	0.70	1.12	1.37	1.82	2.12
QBE	5.04	4.16	3.80	3.60	3.49
RACQ	7.88	11.99	12.65	13.63	13.22
Suncorp	54.78	54.32	54.35	53.54	52.80

Method: The market share figures are based on annual aggregate premium collection rather than on the number of policies.
 Figures previously reported for 2003 and 2004 were figures for month of June and not the annual aggregate premium collection.
 Note: FAI Allianz business transferred to Allianz on 1 July 2002.

Notice of claim lodgements – cumulative (All Insurers) Accidents 1 July 1995 to 30 June 2005

Injury Year	Development Quarter											
	1	2	3	4	5	6	7	8	9	10	11	12+
Jul 95–Jun 96	2,691	4,825	7,165	8,067	8,250	8,361	8,454	8,498	8,554	8,609	8,655	8,829
Jul 96–Jun 97	3,253	5,503	7,467	8,037	8,242	8,358	8,423	8,500	8,574	8,633	8,707	8,854
Ju 97–Jun 98	3,985	6,239	7,988	8,596	8,792	8,909	9,009	9,098	9,163	9,227	9,271	9,394
Jul 98–Jun 99	5,260	7,809	9,683	10,304	10,523	10,643	10,763	10,835	10,918	10,979	11,025	11,137
Jul 99–Jun 00	5,074	7,358	9,172	9,826	10,058	10,224	10,325	10,410	10,479	10,537	10,563	10,681
Jul 00–Jun 01	6,982	8,625	9,511	9,839	10,029	10,143	10,211	10,266	10,306	10,340	10,368	10,430
Jul 01–Jun 02	7,356	8,677	9,261	9,522	9,632	9,708	9,800	9,882	9,933	9,956	9,982	10,021
Jul 02–Jun 03	6,328	7,469	7,995	8,207	8,341	8,471	8,534	8,559	8,587	8,597	8,599	8,601
Jul 03–Jun 04	5,255	6,260	6,715	6,900	6,981	7,013	7,023	7,029				

Accident Year data for 2004–05 is still immature and is not included.

Statistical information 2004-05

Claim status

Accident Year	1 SEPT 1994– 30 JUNE 1995			1 JULY 1995– 30 JUNE 1996			1 JULY 1996– 30 JUNE 1997			1 JULY 1997– 30 JUNE 1998			1 JULY 1998– 30 JUNE 1999			1 JULY 1999– 30 JUNE 2000		
Insurer	Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)
AAMI	153	100	100	227	100	98.2	288	100	99.7	327	100	98.5	478	100	97.5	572	100	95.3
Allianz	284	95.1	98.2	436	87.4	98.9	444	93.9	98.9	484	95.5	98.8	667	96.6	97.8	618	98.9	96.3
QBE	2	100	100	14	100	100	29	100	100	320	94.1	98.1	727	97.8	98.1	654	99.5	97.1
Suncorp	3,787	99.6	99.3	4,695	99.6	98.8	4,785	99.6	98.8	5,270	99.7	98.2	6,183	99.6	96.6	5,804	99.4	95.1
Nom. Defend.	261	100	99.6	358	99.7	98.3	325	99.4	95.4	358	99.4	97.5	361	97.8	94.7	349	97.4	94
RACQ Insurance													13	100	100	236	100	91.1
NRMA																1	100	100
Unlicensed as at 30/6/2005																		
FAI Allianz																172	95.9	94.8
FAI	1,900	99	99.1	2,274	98.9	99.5	2,124	99.1	98.7	2,246	98.8	97.8	2,667	99	97.2	2,275	97.2	95.4
Fortis	469	96.6	99.4	549	93.4	99.1	628	88.4	98.7	345	89.3	98.6	37	86.5	97.3			
Zurich	5	100	100	10	100	100	23	100	100	24	95.8	100	4	75	75			
Com. Union	111	100	98.2	134	100	95.5	129	99.2	99.2	17	100	100						
Merc. Mutual	76	100	100	94	98.9	100	64	100	98.4	3	100	100						
GIO	15	100	100	30	96.7	100	15	100	100									
CIC	5	60	100	8	62.5	100												
TOTAL	7,068	99.1	99.2	8,829	98.4	98.9	8,854	98.4	98.7	9,394	98.7	98.1	11,137	99	96.9	10,681	98.9	95.2

N.B. The data for 2004-05 is incomplete due to claim reporting time frames

1 JULY 2000– 30 JUNE 2001			1 JULY 2001– 30 JUNE 2002			1 JULY 2002– 30 JUNE 2003			1 JULY 2003– 30 JUNE 2004			1 JULY 2004– 30 JUNE 2005			Accident Year
Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)	Claims Received	Liability Determined (%)	Finalised Claims (%)	
515	100	93.4	484	99.6	88.2	410	100	59	345	99.7	28.1	243	95.1	7.4	AAMI
630	98.9	91	461	98.5	75.1	1,939	98.2	51.5	1,546	97.2	29.8	958	71.7	11.1	Allianz
506	99.4	92.3	373	100	89.5	345	99.4	67	275	98.2	31.3	169	75.7	8.9	QBE
5,592	99.4	91.8	5,216	99.1	81.7	4,386	98.7	53.4	3,565	96.9	26.5	2,234	67.4	8.9	Suncorp
369	97.3	88.9	305	96.1	77.7	258	97.3	50.4	217	94	24.4	132	37.9	6.8	Nom. Defend.
508	98.6	90	1,016	98.6	78.8	1,072	96.7	49.1	974	93.8	26.3	552	64.1	5.8	RACQ Insurance
92	98.9	94.6	151	100	91.4	191	98.4	77	107	95.3	35.5	79	83.5	13.9	NRMA
															Unlicensed as at 30/6/2005
1,685	98.6	88.2	2,015	98.5	79.4										FAI Allianz
533	97.7	92.3													FAI
															Fortis
															Zurich
															Com. Union
															Merc Mutual
															GIO
															CIC
10,430	99.1	91.1	10,021	98.9	81.3	8,601	98.4	53.7	7,029	96.6	27.5	4,367	69.2	8.9	TOTAL

Claim payments on finalised claims

(Payments 1 September 1994 to 30 June 2005)

Accident Period		1 SEPT 1994– 30 JUNE 1995		1 JULY 1995– 30 JUNE 1996		1 JULY 1996– 30 JUNE 1997		1 JULY 1997– 30 JUNE 1998		1 JULY 1998– 30 JUNE 1999		
Code	Payment Type	Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	
A1	Aids & appliances	1,479	0.5%	1,081	0.3%	1,716	0.4%	1,420	0.4%	1,737	0.4%	
C1	Long term care & home care	29,316	9.7%	41,393	11.5%	51,197	13.3%	31,551	8.5%	39,197	8.8%	
E1	Economic loss – past	31,683	10.5%	36,086	10.0%	35,699	9.3%	34,074	9.2%	40,928	9.2%	
E2	Economic loss – future	65,792	21.8%	77,364	21.5%	83,768	21.7%	84,282	22.8%	103,877	23.3%	
G1	General damages	102,000	33.8%	116,788	32.5%	121,575	31.5%	127,192	34.4%	152,307	34.2%	
H1	Home & vehicle modifications	1,772	0.6%	1,707	0.5%	1,262	0.3%	1,714	0.5%	1,243	0.3%	
L1	Investigation costs	3,304	1.1%	4,193	1.2%	4,775	1.2%	5,608	1.5%	6,824	1.5%	
L2	Legal costs – plaintiffs	27,799	9.2%	34,387	9.6%	36,373	9.4%	38,540	10.4%	49,115	11.0%	
L4	Legal costs – defendants (solicitors)	11,224	3.7%	13,518	3.8%	12,780	3.3%	13,149	3.6%	16,792	3.8%	
L5	Legal costs – defendants (barristers)	1,667	0.6%	1,807	0.5%	2,011	0.5%	2,025	0.5%	2,148	0.5%	
L6	Legal costs – defendants (other outlays)	2,244	0.7%	2,480	0.7%	2,656	0.7%	2,335	0.6%	2,404	0.5%	
M1	Hospital, medical, pharmaceutical	21,647	7.2%	25,436	7.1%	26,663	6.9%	24,808	6.7%	26,314	5.9%	
N1	Payments to interstate & non CTP insurers	407	0.1%	311	0.1%	161	0.0%	170	0.0%	31	0.0%	
P1	Other	1,707	0.6%	2,217	0.6%	2,880	0.7%	2,471	0.7%	2,019	0.5%	
R1	Rehabilitation service costs	2,418	0.8%	2,912	0.8%	3,889	1.0%	3,722	1.0%	4,856	1.1%	
V1	Recoveries from insured	-3	0.0%	-59	0.0%	-103	0.0%	-244	-0.1%	-123	0.0%	
V2	Other party (other than through sharing)	-3,052	-1.0%	-2,112	-0.6%	-1,581	-0.4%	-3,362	-0.9%	-3,467	-0.8%	
V3	Nominal Defendant recovery	-49	0.0%	-114	0.0%	-189	0.0%	-229	-0.1%	-301	-0.1%	
Total		301,357	100.0%	359,397	100.0%	385,531	100.0%	369,225	100.0%	445,902	100.0%	

N.B. This table illustrates the "long tail" nature of CTP insurance. Premium collected by insurers in any one financial year may take a number of years to distribute to claimants as compensation. The dissection of claims payment types will also change as the largest value claims are finalised. In addition to payments made on finalised claims shown in this table, insurers have also made significant payments on claims that are still open.

1 JULY 1999– 30 JUNE 2000		1 JULY 2000– 30 JUNE 2001		1 JULY 2001– 30 JUNE 2002		1 JULY 2002– 30 JUNE 2003		1 JULY 2003– 30 JUNE 2004		1 JULY 2004– 30 JUNE 2005		Accident Period	
Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	Total Payments (\$'000)	Total Payments (%)	Payment Type	Code
1,769	0.4%	759	0.2%	715	0.3%	207	0.2%	1	0.0%	1	0.2%	Aids & appliances	A1
36,479	8.3%	25,316	6.9%	16,337	5.9%	7,053	7.5%	152	1.4%	6	0.7%	Long term care & home care	C1
40,448	9.2%	32,565	8.9%	22,604	8.2%	7,414	7.9%	1,190	11.1%	131	14.4%	Economic loss – past	E1
103,019	23.4%	91,062	24.9%	67,761	24.5%	20,543	21.8%	1,751	16.4%	7	0.8%	Economic loss – future	E2
150,749	34.3%	141,892	38.8%	119,794	43.3%	41,405	43.8%	4,458	41.7%	469	51.6%	General damages	G1
552	0.1%	607	0.2%	355	0.1%	151	0.2%		0.0%		0.0%	Home & vehicle modifications	H1
6,907	1.6%	7,409	2.0%	6,341	2.3%	2,682	2.8%	595	5.6%	44	4.8%	Investigation costs	L1
47,468	10.8%	27,006	7.4%	15,829	5.7%	4,400	4.7%	265	2.5%	1	0.1%	Legal costs – plaintiffs	L2
16,983	3.9%	9,415	2.6%	5,205	1.9%	1,762	1.9%	183	1.7%	2	0.2%	Legal costs – defendants (solicitors)	L4
2,113	0.5%	1,140	0.3%	504	0.2%	115	0.1%	3	0.0%		0.0%	Legal costs - defendants (barristers)	L5
2,380	0.5%	1,255	0.3%	737	0.3%	218	0.2%	19	0.2%	3	0.4%	Legal costs - defendants (other outlays)	L6
25,357	5.8%	22,792	6.2%	16,956	6.1%	6,683	7.1%	1,527	14.3%	165	18.2%	Hospital, medical, pharmaceutical	M1
1	0.0%	1	0.0%		0.0%	12	0.0%		0.0%		0.0%	Payments to interstate & non CTP insurers	N1
2,369	0.5%	1,011	0.3%	972	0.4%	607	0.6%	190	1.8%	28	3.0%	Other	P1
5,465	1.2%	4,767	1.3%	3,949	1.4%	1,637	1.7%	417	3.9%	52	5.7%	Rehabilitation service costs	R1
-103	0.0%	-80	0.0%	-185	-0.1%	-36	0.0%		0.0%		0.0%	Recoveries from insured	V1
-1,881	-0.4%	-892	-0.2%	-916	-0.3%	-338	-0.4%	-53	-0.5%		0.0%	Other party (other than through sharing)	V2
-73	0.0%	-4	0.0%	-77	0.0%	-87	-0.1%		0.0%		0.0%	Nominal Defendant recovery	V3
440,003	100.0%	366,022	100.0%	276,881	100.0%	94,427	100.0%	10,697	100.0%	909	100.0%	Total	

Statistical information 2004-05

Number of accidents by postcode division

1 September 1994 to 30 June 2005

Location	Postcode	Number of Accidents
Brisbane City	4000-4072	14,136
	4073-4209	19,462
	4500-4549	3,380
Gold Coast Region	4210-4299	10,581
Ipswich Region	4300-4349	3,478
Toowoomba Region	4350-4499	2,717
	4602-4618	218
Sunshine Coast Region	4550-4601	4,857
	4619-4689	3,044
Rockhampton Region	4690-4736	1,565
Mackay Region	4737-4805	2,017
Townsville Region	4806-4824	2,293
	4835-4850	153
Mt Isa Region	4825-4834	208
Cairns Region	4851-4899	3,024
Unknown		209
Non Qld		2,794
Total		74,136

Age group of claimants

1 September 1994 to 30 June 2005

Age Group	Male	Female	Unknown	Total	Percentage
Unknown*	118	127	242	487	0.5
0 - 5 years	1,003	919	2	1,924	2.0
6-15 years	2,545	2,659	6	5,210	5.4
16-25 years	11,993	13,881	23	25,897	26.8
26-35 years	10,814	11,352	20	22,186	23.0
36-45 years	8,081	9,139	12	17,232	17.9
46-55 years	5,607	6,532	30	12,169	12.6
56-65 years	3,054	3,366	4	6,424	6.7
66+	2,032	2,847	4	4,883	5.1
Total	45,247	50,822	343	96,412	100

* This figure includes company claims

Financial information
2004-05

Motor Accident Insurance Commission

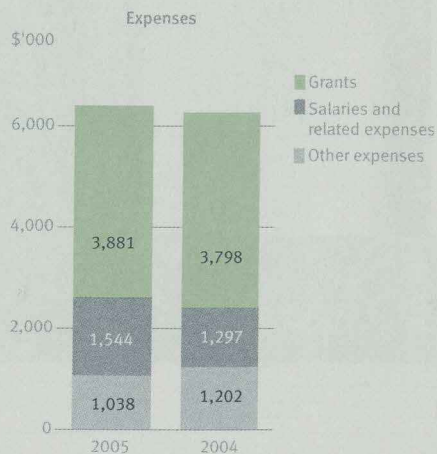
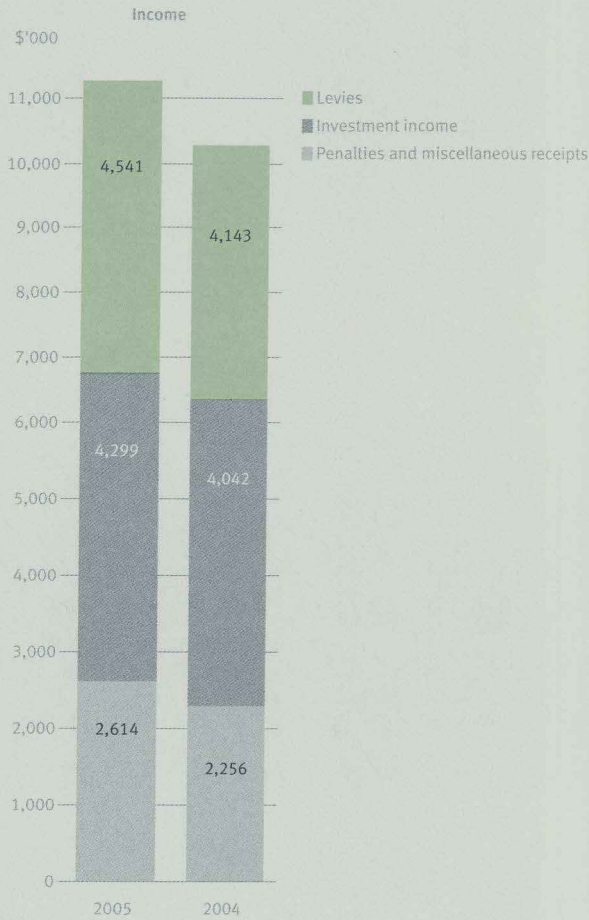


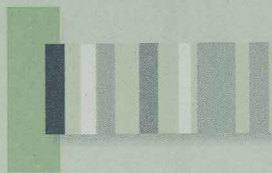
Motor Accident Insurance Commission Financial Summary

In comparison to the previous year, revenue increased overall from \$10.441 million to \$11.454 million. \$4.541 million of total revenue came from the MAIC Statutory levy which was set at a rate of \$1.55 per CTP policy. Revenue from investment income remained at a consistent level relative to the previous financial year and there was a slight increase in the revenue from penalty receipts.

The expenses of the Commission were slightly higher than the previous year, which was primarily a result of increased salaries and wages. Expenditure on grants was \$3.881 million compared to \$3.798 million in the 2003-04 financial year. Details of grant funding are provided in Appendix 5.

The resultant operating profit for the Commission for the year ended 30 June 2005 increased by approximately 20% to \$4.991 million.





Motor Accident Insurance Commission
Statement of Financial Performance
For the Financial Year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
REVENUES FROM ORDINARY ACTIVITIES			
Levies	2 (a)	4,541	4,143
Investment Income	2 (b)	4,299	4,042
Penalties and miscellaneous receipts		2,614	2,256
		<hr/>	<hr/>
Total revenue from ordinary activities		11,454	10,441
EXPENSES FROM ORDINARY ACTIVITIES			
Grants		3,881	3,798
Salaries and related expenses	2 (c)	1,544	1,297
Depreciation	2 (d)	22	31
Computer facilities management fee		156	188
Rent		116	107
Consultancy Expenditure		224	273
Other	2 (e)	520	603
		<hr/>	<hr/>
Total expenses from ordinary activities		6,463	6,297
		<hr/>	<hr/>
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES	10	<u>4,991</u>	<u>4,144</u>

The accompanying notes form part of these financial statements.

Financial information 2004-05

Motor Accident Insurance Commission

Statement of Financial Position

As at 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
CURRENT ASSETS			
Cash Assets		1,519	2,734
Receivables	3	123	106
Investment securities	4	21,711	15,527
Prepayments		29	2
Total current assets		23,382	18,369
NON-CURRENT ASSETS			
Receivables	3	500	500
Investment securities	4	10,500	10,500
Property, plant and equipment	5	55	77
Intangibles	6	220	220
Total non-current assets		11,275	11,297
TOTAL ASSETS		34,657	29,666
CURRENT LIABILITIES			
Payables	7	222	225
Provisions	8	93	100
Total current liabilities		315	325
NON-CURRENT LIABILITIES			
Provisions	8	16	-
Total non-current liabilities		16	-
TOTAL LIABILITIES		331	325
NET ASSETS		34,326	29,341
EQUITY			
Reserves	9	14,096	14,596
Retained profits	10	20,230	14,745
TOTAL EQUITY		34,326	29,341

The accompanying notes form part of these financial statements.

Motor Accident Insurance Commission

Statement of Cash Flows
For the Financial Year Ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Levies		4,541	4,143
Investment income		4,284	4,232
Penalties and miscellaneous receipts		2,610	2,266
GST input taxes recovered from ATO		524	503
Outflows:			
Grants		(3,881)	(3,248)
Salaries and related expenses		(1,533)	(1,298)
Computer facilities management fees		(151)	(190)
Other		(1,425)	(1,480)
Net cash provided by operating activities	14(ii)	4,969	4,928
CASH FLOWS FROM INVESTING ACTIVITIES			
Outflows:			
Purchase of property, plant and equipment		-	(279)
Net cash used in investing activities		-	(279)
NET INCREASE/(DECREASE) IN CASH HELD		4,969	4,649
Cash at the beginning of the financial year		28,761	24,112
CASH AT THE END OF THE FINANCIAL YEAR	14(i)	33,730	28,761

The accompanying notes form part of these financial statements.

Financial information 2004-05

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 1 Statement of Significant Accounting Policies

(a) Basis of Preparation

These financial statements have been prepared as general purpose financial statements in accordance with the requirements of the *Financial Administration and Audit Act 1977* and applicable Australian Accounting Standards and Concepts. The financial statements have been prepared on an historical cost basis, except for investment securities which are shown at net market value.

(b) Property, Plant and Equipment

All items of property, plant and equipment, except intangibles, with a cost or other value in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition.

Items with a lesser value are expensed in the year of acquisition.

(c) Intangibles

Intangible assets with a cost or other value greater than \$50,000 are recognised in the financial statements, items with a lesser value being expensed. Each intangible asset is amortised over its estimated useful life, less any anticipated residual value.

Internal Use Software

Costs associated with the development of computer software have been capitalised and are amortised on a straight-line basis over the period of expected benefit, namely 5 years.

(d) Amortisation and Depreciation of Intangibles, Property, Plant and Equipment

Amortisation and depreciation is calculated on a straight-line basis, to write off the net cost of each depreciable asset, progressively over its estimated useful life.

The estimated useful lives are as follows:

Plant and Equipment	3-5 years
Computer Software	5 years

Internal use software under development is not amortised until it has been fully developed and utilised.

(e) Investments

All funds not required for the day to day management of the Motor Accident Insurance Commission are invested with the Queensland Investment Corporation ("QIC") and are recorded in these financial statements at net market value.

(f) Employee Leave Entitlements

(1) Wages, Salaries, Annual Leave and Sick Leave

Wages, salaries and annual leave due but unpaid at reporting date are recognised in the Statement of Financial Position at the remuneration rates expected to apply at the time of settlement and include related on-costs such as payroll tax, WorkCover premiums, long service leave levies and employer superannuation contributions.

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 1 Statement of Significant Accounting Policies (Continued)

(f) Employee Leave Entitlements (Continued)

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to recur in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

(2) Long Service Leave

Under the Queensland Government's long service leave scheme, a levy is made on the Commission to cover this expense. Amounts paid to employees for long service leave are claimed from the scheme as and when leave is taken.

No provision for long service leave is recognised in the financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS 31 – *Financial Reporting by Governments*.

(g) Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation plan for Queensland Government employees, at rates determined by the State Actuary.

No liability is recognised for accruing superannuation benefits in these financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS 31 – *Financial Reporting by Governments*.

(h) Contingent Assets

Under section 33(4) and 33(5) of the *Motor Accident Insurance Act 1994*, an amount of \$57,818,000 was transferred from the Motor Accident Insurance Fund to the Nominal Defendant Fund on 22 January 2002 to be applied to outstanding claims liabilities arising from the insolvency of FAI General Insurance Company Limited.

Under section 33(6) and 33(7) of the *Motor Accident Insurance Act 1994*, should circumstances give rise to a recovery from the liquidation of FAI General Insurance Company Limited, or recovery from another party, the Treasurer may, by written notice to the Nominal Defendant, direct it to return funds of an amount, not exceeding \$57,818,000 to the Motor Accident Insurance Fund.

(i) Levy Collection and Contribution

Levies received in accordance with Section 27 of the *Motor Accident Insurance Act 1994* are recognised as revenue at the time they are legally due to be paid by the Queensland Department of Transport to the Commission, upon receipt of monies from motorists.

Levies collected on behalf of the Queensland Department of Health and the Department of Emergency Services during the current year have not been included as revenue in the Statement of Financial Performance as these amounts are not controlled. Similarly, remittances made to Queensland Department of Health and the Department of Emergency Services have not been included as expenses.

Details on the levies collected on behalf of and distributed to Queensland Department of Health and the Department of Emergency Services are provided in Note 13.

Financial information 2004-05

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 1 Statement of Significant Accounting Policies (Continued)

(j) Leases

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(k) Adoption of International Financial Reporting Standards

The Financial Reporting Council has determined that all entities preparing general purpose financial statements will apply the Australian Equivalents to International Financial Reporting Standards (IFRSs) for reporting periods beginning on or after 1 January 2005.

All Australian Equivalents to IFRSs have been reviewed for implications on policies, procedures, systems and financial impacts arising from such changes.

To date, the Commission has identified the following likely impacts arising from the adoption of Australian Equivalents to IFRSs:

- The introduction of AASB 136 on Impairment of Assets requires an annual impairment test to be performed on all non-current physical and intangible assets. The material assets of the Commission are currently recorded at cost and the effect of this Standard is expected to be immaterial. However, as an impairment test has not previously applied to the public sector, an assessment of the effect is still ongoing and can not be quantified at this time.
- AASB 119 Employee Benefits requires employers to recognise the net surplus or deficit in their employer sponsored defined benefit superannuation funds as an asset or liability, respectively. As the Commission contributes to a whole-of-Government superannuation scheme, and the Government assumes the responsibility for the funding of the scheme, the department will recognise as a liability only that portion of superannuation contributions owing to QSuper at the end of the reporting period. There will therefore be no effect on the Commission's accounts.

AASB 119 also requires that where there are instances of annual leave not expected to be paid within 12 months, the liability is to be measured at the present value of the future cash flows. Currently, all annual leave is measured in the nominal amount.

- Intangible assets held by the Commission are valued at cost and have no external market. There will therefore be no change in the value disclosed in the financial statements under AASB 138 Intangible Assets.

(l) Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

		2005 \$'000	2004 \$'000
NOTE 2	Profit from Ordinary Activities		
(a)	Levies		
	Levies – comprise amounts required to be paid by licensed CTP insurers on gross insurance premiums.		
	Statutory Insurance Scheme Levy	<u>4,541</u>	<u>4,143</u>
(b)	Investment Income		
	Distributions received from Queensland Investment Corporation	4,166	3,962
	Interest received from funds held by Queensland Treasury	133	80
	Total	<u>4,299</u>	<u>4,042</u>
(c)	Salaries and related Expense		
	Salaries and wages	1,149	938
	Superannuation	149	123
	Long service leave expense	18	14
	Recreation leave expense	104	94
	Other related expenses	124	128
	Total	<u>1,544</u>	<u>1,297</u>
(d)	Depreciation		
	Plant and Equipment	<u>22</u>	<u>31</u>
(e)	Other		
	Administration Fees	157	167
	Legal and Barrister Fees	28	67
	Loss on disposal of assets	-	61
	Other	335	308
	Total	<u>520</u>	<u>603</u>

Financial information 2004-05

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

	2005 \$'000	2004 \$'000
NOTE 3		
Receivables		
<u>Current</u>		
Accrued investment income	33	17
Penalties receivable	85	81
Other receivables	5	8
Total	123	106
<u>Non-Current</u>		
Loan Receivable	500	500
Total	500	500
NOTE 4		
Investment Securities		
<u>Current</u>		
Queensland Investment Corporation	21,711	15,527
<u>Non-Current</u>		
Queensland Investment Corporation	10,500	10,500
Total	32,211	26,027
NOTE 5		
Property, Plant and Equipment		
Plant and Equipment		
Plant, Equipment and Fittings – at cost	182	192
Accumulated depreciation	(127)	(115)
Total	55	77

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are as follows:

	Plant and Equipment \$'000	Total \$'000
Carrying amount at beginning of the financial year	77	77
Additions	-	-
Disposals	-	-
Depreciation Charged	(22)	(22)
Carrying amount at the end of the financial year	55	55

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

		2005 \$'000	2004 \$'000
NOTE 6	Intangibles		
	Computer Software – at cost	163	163
	Accumulated amortisation	(163)	(163)
		<u> </u>	<u> </u>
		-	-
	Internal use software under development – at cost	220	220
		<u> </u>	<u> </u>
	Total	<u><u>220</u></u>	<u><u>220</u></u>
NOTE 7	Payables		
	Sundry creditors and accruals	<u>222</u>	<u>225</u>
NOTE 8	Provisions		
	<u>Current</u>		
	Employee Entitlements	93	100
	<u>Non-Current</u>		
	Employee Entitlements	16	-
		<u> </u>	<u> </u>
	Total	<u><u>109</u></u>	<u><u>100</u></u>
NOTE 9	Reserves		
	(a) Composition and movements:		
	Income Maintenance		
	Balance at beginning and end of year	<u>10,500</u>	<u>10,500</u>
	Accident Prevention Initiatives		
	Balance at beginning of year	1,484	1,550
	Transfer to retained profits	(1,484)	(1,550)
	Transfer from retained profits	1,441	1,484
		<u> </u>	<u> </u>
	Balance at end of year	<u>1,441</u>	<u>1,484</u>
	Rehabilitation Initiatives		
	Balance at beginning of year	2,612	3,057
	Transfer to retained profits	(2,397)	(2,498)
	Transfer from retained profits	1,940	2,053
		<u> </u>	<u> </u>
	Balance at end of year	<u>2,155</u>	<u>2,612</u>
	Total Reserves	<u><u>14,096</u></u>	<u><u>14,596</u></u>

Financial information 2004-05

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 9 Reserves (Continued)

(b) To fulfil our charter under Section 10(1) of the *Motor Accident Insurance Act 1994*, the funds in reserves are to be used in the research into the cause and prevention of motor vehicle accidents and the treatment and rehabilitation of those involved in motor vehicle accidents.

	2005 \$'000	2004 \$'000
NOTE 10 Retained Profits		
Retained profits at the beginning of the financial year	14,745	10,073
Profit from ordinary activities	4,991	4,144
Transfers to reserves:		
Accident Prevention Initiatives	(1,441)	(1,484)
Rehabilitation Initiatives	(1,940)	(2,053)
Transfers from reserves:		
Accident Prevention Initiatives	1,484	1,550
Rehabilitation Initiatives	2,397	2,498
Other	(6)	17
Retained profits at the reporting date	20,230	14,745

NOTE 11 Auditor's Remuneration

Remuneration received or due and receivable by the Auditor-General of Queensland for external audit services

12	12
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NOTE 12 Commitments for Expenditure

(a) Maintenance Contract Commitment

Total expenditure contracted for at balance date but not provided for in the financial statements:

Due not later than one year	35	51
Due later than one year but not later than five years	-	-
Total	35	51

(b) Operating Lease Rental Commitments

Future operating lease rentals not provided for in the financial statements are payable as follows:

Due not later than one year	155	140
Due later than one year but not later than five years	169	286
Total	324	426

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

	2005 \$'000	2004 \$'000
NOTE 12		
Commitments for Expenditure (Continued)		
(c) Motor Vehicle Lease Commitments		
Future operating lease rentals not provided for in the financial statements are payable as follows:		
Due not later than one year	14	12
Due later than one year but not later than five years	7	5
	<u>21</u>	<u>17</u>
Total	<u><u>21</u></u>	<u><u>17</u></u>
(d) Grant Commitments		
The <i>Motor Accident Insurance Act 1994</i> provides for the Commission to allocate funds for strategic accident prevention and rehabilitation initiatives. The payment of these grant monies is dependent on the grantee organisation satisfying conditions as set out in the grant agreement.		
Future grant commitments not provided for in the financial statements are payable as follows:		
Due not later than one year	3,595	4,096
Due later than one year but not later than five years	331	3,372
	<u>3,926</u>	<u>7,468</u>
Total	<u><u>3,926</u></u>	<u><u>7,468</u></u>
NOTE 13		
Agency Transactions		
The Motor Accident Insurance Commission (MAIC) receives Hospital and Emergency Services Levy amounts from Queensland Transport for transfer payments to Queensland Department of Health and the Department of Emergency Services. Details of amounts collected and administered by MAIC during the year and the amount held on behalf of Queensland Department of Health and the Department of Emergency Services at year end are as follows:		
Levies		
Comprise amounts collected from Queensland Transport on gross insurance premiums.		
Levies collected but not remitted in the previous year	2,092	2,367
Hospital levy	17,617	14,970
Emergency Services levy	7,928	7,529
	<u>27,637</u>	<u>24,866</u>
	<u><u>27,637</u></u>	<u><u>24,866</u></u>

Financial information 2004-05

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
NOTE 13	Agency Transactions (Continued)		
Contributions			
Comprise payments to Queensland Department of Health and the Department of Emergency Services on account of levies received from Queensland Transport.			
Hospital levy contributions		17,423	15,145
Emergency Services levy contributions		7,904	7,629
		<u>25,327</u>	<u>22,774</u>
Amounts collected on behalf of but not yet remitted to Queensland Department of Health and the Department of Emergency Services in respect of hospital and emergency services levies as at 30 June: (This amount is held in cash at bank at 30 June 2005)		<u>2,310</u>	<u>2,092</u>
NOTE 14	Statement of Cash Flows		
(i) Reconciliation of cash			
For the purposes of the Statement of Cash Flows, cash includes cash on hand and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Cash		1,519	2,734
Investments	4	32,211	26,027
Total		<u>33,730</u>	<u>28,761</u>
(ii) Reconciliation of operating profit/(loss) with net cash provided by operating activities			
Operating profit		4,991	4,144
Add/(Less) non cash items:			
Depreciation		22	31
(Profit)/Loss on disposal of property, plant and equipment		-	61
Direct changes to equity		(6)	17
Changes in assets and liabilities:			
Increase/(Decrease) in creditors		(3)	(81)
(Increase)/Decrease in receivables		(17)	758
Decrease/(Increase) in prepayments		(27)	(1)
(Decrease)/Increase in provisions		9	(1)
Net cash provided by/ (used in) operating activities		<u>4,969</u>	<u>4,928</u>
(iii)	The Motor Accident Insurance Commission has no unused borrowing or overdraft facility.		

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 15 Financial Instruments

(a) Terms, Conditions and Accounting Policies

Financial Instrument	Related Financial Statement Notes	Accounting Policies	Terms and Conditions
<u>Financial Assets</u>			
Cash on hand	14 (i)	Recorded at book value, which approximates fair value.	
Receivables Penalties receivable	3	Recognition – upon receipt of fines by QLD Transport and the Courts. Measurement – prescribed by the <i>Motor Accident Insurance Act 1994</i> . Recorded at book value	Usually received within 30 days from the month due.
Loans receivable	3	Recognition – upon issue of funds. Measurement – based on memorandum of agreement and recorded at book value.	No interest rate applied as this is funding to promote research into accident rehabilitation. Repayments in accordance with individual loan agreements.
Investment securities	4	Recognition – on the day funds are invested. Measurement – at net market value.	May be drawn upon as and when required.
<u>Financial Liabilities</u>			
Payables	7	Recognition – upon receipt of goods or services irrespective of whether an invoice has been received. Measurement – based on agreed purchase/contract costs.	Amounts are usually settled within 30 days upon receipt of invoice.

The Commission invests with the Queensland Investment Corporation (QIC). The QIC will have invested in a variety of financial instruments including derivatives which expose the Commission's investments to a variety of investment risks including market risk, credit risk, interest rate risk and currency risk.

Financial information 2004-05

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 15 Financial Instruments (Continued)

(b) Interest Rate Risk Exposures

The Commission invests in financial assets for the primary purpose of obtaining a return on investments, to help meet the costs of administering the *Motor Accident Insurance Act 1994*. The Commission's return on the investments will fluctuate in accordance with movements in the market interest rates.

2005		Floating interest rate \$'000	Fixed interest rate maturing in			Non interest bearing \$'000	Total \$'000
	Notes		1 year or less \$'000	over 1 to 5 years \$'000	more than 5 years \$'000		
Financial assets							
Cash		1,519	-	-	-	-	1,519
Receivables	3	-	-	-	-	623	623
Investments	4	-	-	-	-	32,211*	32,211
		1,519	-	-	-	32,834	34,353
Financial Liabilities							
Payables	7	-	-	-	-	222	222
Net Financial Assets		1,519	-	-	-	32,612	34,131
Weighted average interest rate		4.55%					

2004		Floating interest rate \$'000	Fixed interest rate maturing in			Non interest bearing \$'000	Total \$'000
	Notes		1 year or less \$'000	over 1 to 5 years \$'000	more than 5 years \$'000		
Financial assets							
Cash		2,734	-	-	-	-	2,734
Receivables	3	-	-	-	-	606	606
Investments	4	-	-	-	-	26,027 *	26,027
		2,734	-	-	-	26,633	29,367
Financial Liabilities							
Payables	7	-	-	-	-	225	225
Net Financial Assets		2,734	-	-	-	26,408	29,142
Weighted average interest rate		4.2%					

* Investments in QIC are not classified as interest bearing as the Commission receives a distribution of profits based on the earnings of units in investments in QIC.

Motor Accident Insurance Commission

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 15 Financial Instruments (Continued)

(c) Credit Risk Exposures

Credit exposure represents the extent of credit related losses that the Commission may be subject to on amounts to be received from financial assets. The Commission, while exposed to credit related losses in the event of non-performance by counterparties of financial institutions, does not expect any counterparties to fail to meet their obligations.

(d) Net Fair Values

The carrying amounts of financial assets and liabilities approximate their fair values. The fair value of investments is measured at net market value based on QIC advice.

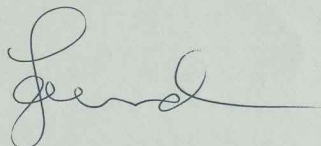
NOTE 16 Segment Information

The Commission operates within one primary and one geographical segment, that being the administration of the Queensland compulsory third party motor vehicle insurance scheme.

Certificate of the Motor Accident Insurance Commission

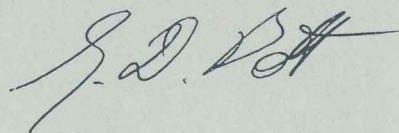
The foregoing annual financial statements have been prepared pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and we certify that-

- (a) the foregoing annual financial statements and notes to and forming part thereof are in agreement with the accounts and records of the Motor Accident Insurance Commission; and
- (b) in our opinion -
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the foregoing annual financial statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Motor Accident Insurance Commission for the year ended 30 June 2005 and of the financial position of the Commission as at 30 June 2005.



L Anderson
Insurance Commissioner

Dated: 28 September 2005



G Bott
Manager Systems and Finance

Independent Audit Report

To the Motor Accident Insurance Commission

Scope

The Financial Report

The financial report of Motor Accident Insurance Commission consists of the statement of financial performance, statement of financial position, statement of cash flows, notes to and forming part of the financial statements and certificate given by the Insurance Commissioner and the officer responsible for the financial administration of Motor Accident Insurance Commission for the year ended 30 June 2005.

The Motor Accident Insurance Commission's Responsibility

The Commission is responsible for the preparation and true and fair presentation of the financial report, the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

As required by law, an independent audit was conducted in accordance with *QAO Auditing Standards* to enable me to provide an independent opinion whether in all material respects the financial report is presented fairly, in accordance with the prescribed requirements, including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

Audit procedures included-

- examining information on a test/sample basis to provide evidence supporting the amounts and disclosures in the financial report;
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Motor Accident Insurance Commission;
- obtaining written confirmation regarding the material representations made in conjunction with the audit; and
- reviewing the overall presentation of information in the financial report.

Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors.

The Auditor-General is the auditor of all public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which powers are to be exercised.

The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Audit Opinion

In accordance with s.46F of the *Financial Administration and Audit Act 1977* -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the statements have been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of the Motor Accident Insurance Commission for the financial year 1 July 2004 to 30 June 2005 and of the financial position at the end of that year.

M O'Grady

M O'Grady
(as Delegate of the Auditor-General of Queensland)

Queensland Audit Office,
Brisbane

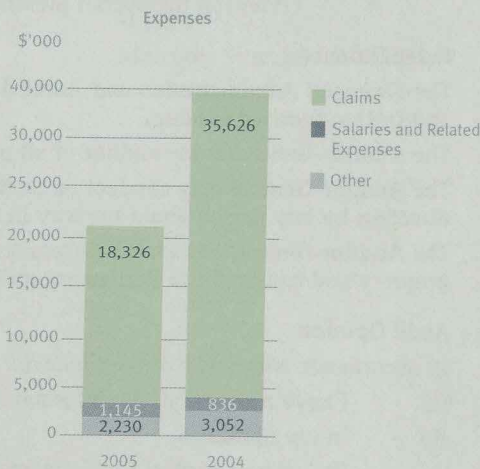
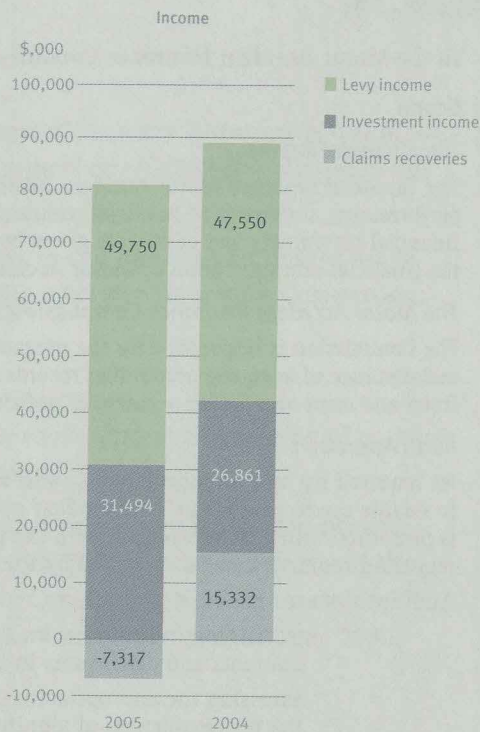
30 September 2005

Nominal Defendant Financial Summary

The operating profit of the Nominal Defendant was \$52.226 million for the year ended 30 June 2005 as compared to the prior year’s operating profit of \$50.229 million. The State Government Indemnity to the Nominal Defendant to meet the liabilities of FAI during the year amounted to \$14.656 million. The amount of this indemnity was determined after deducting cash receipts of the CTP levy surcharge and \$11 million of funds transferred from the Nominal Defendant Section 31 operations during 2004–05.

In relation to the normal business of the Nominal Defendant (claims relating to unidentified and uninsured vehicles under section 31 of the Act), payments on claims and associated costs during the financial year decreased from \$22.891 million to \$17.471 million. The provisions for outstanding claims liabilities were actuarially assessed and were increased by \$10.690 million, reflecting a return to a more normal pattern after several years of very small increases.

The income from the levy for the normal business of the Nominal Defendant increased to \$36.039 million reflecting growth in the number of registered vehicles. The Nominal Defendant levy was set at \$12.85 per Class 1 policy, plus the \$5 HH levy which raised \$13.711 million in the year. The amount of claims recoveries in 2004–05 is impacted by the decision to recognise monies expected to be received from Reinsurance Treaties held by FAI as a contingent asset rather than a current receivable. The increase in Salaries and Related Expenses and the decrease in Other Expenses reflect the transfer of the FAI tail claim management in-house. The performance of the QIC investments improved significantly from \$26.861 million to \$31.494 million for the 2004–05 year.



Nominal Defendant

Statement of Financial Performance
For the Financial Year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
REVENUES FROM ORDINARY ACTIVITIES			
Levy Income	1(h)	49,750	47,550
Investment Income	5	31,494	26,861
Total revenue from ordinary activities		81,244	74,411
EXPENSES FROM ORDINARY ACTIVITIES			
Claims	2	18,326	35,626
Write Back of Claims Recoveries / (Claims Recoveries)		7,317	(15,332)
Net Claims Incurred		25,643	20,294
Other Ordinary Expenses	4	3,375	3,888
Total expenses from ordinary activities		29,018	24,182
PROFIT FROM ORDINARY ACTIVITIES	14	52,226	50,229

The accompanying notes form part of these financial statements.

Financial information 2004-05

Nominal Defendant

Statement of Financial Position

As at 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
CURRENT ASSETS			
Cash Assets		2,215	1,562
Receivables	6	1,114	29,244
Investment securities	7	48,804	37,116
Prepayments		6	5
Total current assets		52,139	67,927
NON-CURRENT ASSETS			
Investment securities	7	191,189	150,236
Property, plant and equipment	8	15	26
Intangibles	9	217	173
Total non-current assets		191,421	150,435
TOTAL ASSETS		243,560	218,362
CURRENT LIABILITIES			
Payables	10	449	600
Provision for employee entitlements	11	66	69
Provision for outstanding claims	12	63,207	78,811
Unearned levies	1(h)	25,222	24,089
Total current liabilities		88,944	103,569
NON-CURRENT LIABILITIES			
Provision for employee entitlements	11	12	-
Provision for outstanding claims	12	168,325	195,397
Total non-current liabilities		168,337	195,397
TOTAL LIABILITIES		257,281	298,966
NET LIABILITIES		(13,721)	(80,604)
EQUITY			
Contributed Equity	13	245,537	230,881
Accumulated Losses	14	(259,258)	(311,485)
TOTAL EQUITY		(13,721)	(80,604)

The accompanying notes form part of these financial statements.

Nominal Defendant

Statement of Cash Flows
For the Financial Year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflows:			
Levies		50,883	48,427
Claims recoveries		4,685	28,769
Investment income		31,490	28,200
GST recovered from ATO		876	1,047
Outflows:			
Claims		(60,974)	(106,613)
Salaries and related expenses		(1,133)	(831)
Other		(3,238)	(5,072)
Net cash used in operating activities	17(ii)	22,589	(6,073)
CASH FLOWS FROM INVESTING ACTIVITIES			
Inflows:			
Proceeds on disposal of property, plant and equipment		-	13
Outflows:			
Purchase of property, plant and equipment and intangibles		(49)	(189)
Net cash used in investing activities		(49)	(176)
CASH FLOWS FROM FINANCING ACTIVITIES			
Inflows:			
Queensland Treasury Indemnity Receipts		30,754	44,368
Net cash provided by financing activities		30,754	44,368
NET INCREASE IN CASH HELD		53,294	38,119
Cash at the beginning of the financial year		188,914	150,795
CASH AT THE END OF THE FINANCIAL YEAR	17(i)	242,208	188,914

The accompanying notes form part of these financial statements.

Financial information 2004-05

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 1 Statement of Significant Accounting Policies

(a) Basis of Preparation

These financial statements have been prepared as general purpose financial statements in accordance with the requirements of the *Financial Administration and Audit Act 1977* and applicable Australian Accounting Standards and Concepts. The financial statements have been prepared on an historical cost basis, except as otherwise disclosed in the financial statements or notes.

(b) Going Concern

These financial statements have been prepared on a going concern basis.

Under Section 33(2) of the *Motor Accident Insurance Act 1994*, the Nominal Defendant (the Fund) has assumed the Queensland Compulsory Third Party liabilities of the insolvent insurer, FAI General Insurance Company Limited (FAI).

The State Government has agreed to indemnify the Nominal Defendant for any shortfalls relating to the above. Any funds to be advanced to the Nominal Defendant are determined after taking into consideration a component of the levy, potential recoveries from the liquidator of the insolvent insurer and funds transferred from the Motor Accident Insurance Commission as detailed in Note 20.

(c) Property, Plant and Equipment

All items of property, plant and equipment, except intangibles, with a cost or other value in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition.

Items with a lesser value are expensed in the year of acquisition.

(d) Intangibles

Intangible assets with a cost or other value greater than \$50,000 are recognised in the financial statements, items with a lesser value are expensed. Each intangible asset is amortised over its estimated useful life, less any anticipated residual value.

Internal Use Software

Costs associated with the development of computer software have been capitalised and are amortised on a straight-line basis over the period of expected benefit, namely 5 years.

(e) Amortisation and Depreciation of Intangibles, Property, Plant and Equipment

Amortisation and depreciation is calculated on a straight-line basis, to write off the net cost of each depreciable asset, progressively over its estimated useful life.

The estimated useful lives are as follows:

Plant and Equipment	3-5 years
Computer Software	5 years

(f) Funding of Nominal Defendant

Funding is by way of levies, as explained at Note 1(h); interest on investments; and moneys recovered by the Nominal Defendant against owners and/or drivers of uninsured vehicles and failed claimants. In addition, any shortfall resulting from FAI claims liabilities is funded by the State Government as detailed at Note 1(b).

(g) Provision for Outstanding Claims

Provisions for outstanding claims have been actuarially calculated as at the financial year end by an independent actuarial firm, Finity Consulting Pty Limited, the principals of which are Fellows of the Institute of Actuaries in Australia. The Actuaries have furnished a Certificate.

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 1 Statement of Significant Accounting Policies (Continued)**(g) Provision for Outstanding Claims (Continued)**

Claims incurred expense and a liability for outstanding claims are recognised for claims incurred but not yet paid, incurred but not yet reported claims and anticipated direct and indirect costs of settling those claims. Claims outstanding are assessed by reviewing individual claim files and estimating unnotified claims and settlement costs using statistics based on past experience and trends.

The liability for outstanding claims is measured as the present value of the expected future payments, reflecting the fact that all the claims do not have to be paid out in the immediate future. The expected future payments are estimated on the basis of the ultimate cost of settling claims, which is affected by factors arising during the period to settlement such as normal and superimposed inflation. The expected future payments are then discounted to a present value at the reporting date using discount rates based on investment opportunities available to the Nominal Defendant on the amount of funds sufficient to meet claims as they become payable. The details of rates applied are included in Note 12.

(h) Levies

In order to comply with the provisions of Australian Accounting Standard AASB 1023 *Financial Reporting of General Insurance Activities*, the Nominal Defendant levy, as stated in Section 12 of the *Motor Accident Insurance Act 1994*, is to be treated as “premium” as defined in AASB 1023 and is accounted for as such in accordance with the provisions of AASB 1023.

Levy revenue is recognised in the Statement of Financial Performance only when it has been earned in accordance with accounting principles set out in AASB 1023. Levies received but not earned as at the end of the reporting period are recorded as a liability (*unearned levies*) in the Statement of Financial Position and then systematically transferred to revenue in the Statement of Financial Performance as the levy is earned over time. In accordance with AASB 1023 the recognition of earned levy revenue is on the basis of the passage of time, commencing from the week in which motorists remit their CTP premiums to the Queensland Department of Transport.

Levy revenue is received from motorists via the Queensland Department of Transport in accordance with Section 29 of the *Motor Accident Insurance Act 1994* based on a levy on gross premiums collected for Compulsory Third Party motor vehicle insurance policies. These levies are used to fund estimated costs of the Nominal Defendant scheme for the financial year and shortfalls from previous years.

The Nominal Defendant levy rate is fixed each year by regulation in accordance with Section 14A(1) of the *Motor Accident Insurance Act 1994*.

The Motor Accident Insurance Commission makes a recommendation to the Minister on the levy rate after obtaining and considering actuarial advice.

(i) Investments

All funds not required for the day to day management of the Nominal Defendant are invested with the Queensland Investment Corporation (“QIC”), and are recorded in these financial statements at net market value. As these investments are held primarily to fund present and future claims on the Nominal Defendant they have been classified between current and non-current assets on the same percentage basis as that applied to the Nominal Defendant Provision for Outstanding Claims.

(j) Employee Leave Entitlements**(1) Wages, Salaries, Annual Leave and Sick Leave**

Wages, salaries and annual leave due but unpaid at reporting date are recognised in the Statement of Financial Position at the remuneration rates expected to apply at the time of settlement and include related on-costs such as payroll tax, WorkCover premiums, long service leave levies and employer superannuation contributions.

Financial information 2004-05

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 1 Statement of Significant Accounting Policies (Continued)

(j) Employee Leave Entitlements (Continued)

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to recur in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

(2) Long Service Leave

Under the Queensland Government's long service leave scheme, a levy is made on the Nominal Defendant to cover this expense. Amounts paid to employees for long service leave are claimed from the scheme as and when leave is taken.

No provision for long service leave is recognised in the financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS 31 – *Financial Reporting by Governments*.

(k) Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation plan for Queensland Government employees, at rates determined by the State Actuary.

No liability is recognised for accruing superannuation benefits in these financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS 31 – *Financial Reporting by Governments*.

(l) Receivables

It is not the policy of the Nominal Defendant to recognise the debt or potential income accruing as the result of judgements granted in favour of it for legal costs and claims against uninsured owners and/or drivers. The resultant receipts are immaterial when compared to the Nominal Defendant's other sources of income and are recognised in the financial statements in the period in which they are received. This policy is under constant review by the Nominal Defendant.

(m) Leases

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged to expense in the period in which they are incurred.

(n) Adoption of International Financial Reporting Standards

The Financial Reporting Council has determined that all entities preparing general purpose financial statements will apply the Australian Equivalents to International Financial Reporting Standards (IFRSs) for reporting periods beginning on or after 1 January 2005.

All Australian Equivalents to IFRSs have been reviewed for implications on policies, procedures, systems and financial impacts arising from such changes.

To date, the Nominal Defendant has identified the following likely impacts arising from the adoption of Australian Equivalents to IFRSs:

- The introduction of AASB 136 on Impairment of Assets requires an annual impairment test to be performed on all non-current physical and intangible assets. The material assets of the Nominal Defendant are currently recorded at cost and the effect of this Standard is expected to be immaterial. However, as an impairment test has not previously applied to the public sector, an assessment of the effect is still ongoing and cannot be quantified at this time.

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 1 Statement of Significant Accounting Policies (Continued)**(n) Adoption of International Financial Reporting Standards (Continued)**

- AASB 119 Employee Benefits requires employers to recognise the net surplus or deficit in their employer sponsored defined benefit superannuation funds as an asset or liability, respectively. As the Nominal Defendant contributes to a whole-of-Government superannuation scheme, and the Government assumes the responsibility for the funding of the scheme, the department will recognise as a liability only that portion of superannuation contributions owing to QSuper at the end of the reporting period. There will therefore be no effect on the Nominal Defendant's accounts.

AASB 119 also requires that where there are instances of annual leave not expected to be paid within 12 months, the liability is to be measured at the present value of the future cash flows. Currently, all annual leave is measured in the nominal amount.

- Intangible assets held by the Nominal Defendant are valued at cost and have no external market. There will therefore be no change in the value disclosed in the financial statements under AASB 138 Intangible Assets.
- The adoption of AASB 1023 on General Insurance Contracts requires outstanding claims liabilities to include a risk margin in addition to the central estimate of the present value of the expected future payments. In addition, the outstanding claims liability will be discounted for the time value of money using risk-free discount rates that are based on current observable, objective rates that relate to the nature, structure and term of the future obligations. An assessment of the effect is still ongoing and cannot be quantified at this time.

(o) Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

	2005 \$'000	2004 \$'000
NOTE 2 Claims		
Claims comprise amounts required to be paid on behalf of those insured, amounts set aside for future claims and claims settlement costs. Claims settlement costs include costs that can be associated directly with individual claims, such as legal and professional fees.		
Decrease in provision for outstanding claims	(42,676)	(70,986)
Claims and associated settlement costs	61,002	106,612
Total	18,326	35,626
Claims attributable to FAI		
The following amounts attributable to FAI are included in the claims figures listed above.		
Decrease in provision for outstanding claims	(53,365)	(73,455)
Claims and associated settlement costs	43,531	83,721
Total	(9,834)	10,266

Financial information 2004-05

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 3 Net Claims Incurred

Current period claims relate to risks borne in the current reporting period. Prior period claims relate to a reassessment of the risks borne in all previous reporting periods.

Claims attributable to Nominal Defendant

	2005			2004		
	Current Year \$'000	Prior Years \$'000	Total \$'000	Current Year \$'000	Prior Years \$'000	Total \$'000
Gross claims incurred and related expenses						
- undiscounted	40,518	(7,892)	32,626	41,445	(15,279)	26,166
Reinsurance and other recoveries						
- undiscounted	(1,005)	(4,121)	(5,126)	(708)	2,463	1,755
Net claims incurred						
- undiscounted	39,513	(12,013)	27,500	40,737	(12,816)	27,921
Discount and discount movement						
- gross claims incurred	(7,883)	7,338	(545)	(8,816)	5,852	(2,964)
Discount and discount movement						
- reinsurance and other recoveries	197	458	655	151	(522)	(371)
Net discount movement	(7,686)	7,796	110	(8,665)	5,330	(3,335)
Net Claims Incurred						
- discounted	31,827	(4,217)	27,610	32,072	(7,486)	24,586

Claims attributable to FAI

	2005			2004		
	Current Year \$'000	Prior Years \$'000	Total \$'000	Current Year \$'000	Prior Years \$'000	Total \$'000
Gross claims incurred and related expenses						
- undiscounted	-	(35,628)	(35,628)	-	(597)	(597)
Reinsurance and other recoveries						
- undiscounted	-	25,558	25,558	-	(10,589)	(10,589)
Net claims incurred						
- undiscounted	-	(10,070)	(10,070)	-	(11,186)	(11,186)
Discount and discount movement						
- gross claims incurred	-	10,350	10,350	-	7,422	7,422
Discount and discount movement						
- reinsurance and other recoveries	-	(2,247)	(2,247)	-	(528)	(528)
Net discount movement	-	8,103	8,103	-	6,894	6,894
Net Claims Incurred						
- discounted	-	(1,967)	(1,967)	-	(4,292)	(4,292)

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
NOTE 3	Net Claims Incurred (Continued)		
	Net Claims Incurred		
	Net Claims Incurred – discounted	27,610	24,586
	Claims Recoveries	550	774
		<u>28,160</u>	<u>25,360</u>
	Add: Claims attributable to FAI	(1,967)	(4,292)
	Claims Recoveries - FAI	(7,867)	14,558
		<u>(9,834)</u>	<u>10,266</u>
	Total Claims	<u>2 18,326</u>	<u>35,626</u>

NOTE 4	Other Ordinary Expenses		
	Salaries and wages	858	622
	Salaries and wages	109	89
	Superannuation	13	3
	Long service leave expense	86	68
	Recreation leave expense	79	54
	Other related expenses	11	25
	Depreciation- Property, Plant and Equipment	5	2
	Amortisation - Computer software	96	76
	Rent	119	107
	Consultancy Expenditure	1,242	1,115
	Reinsurance	89	120
	Administration Fees	-	1,012
	FAI Management Costs	-	61
	Loss/ (Profit) on disposal of Property, Plant and Equipment	668	534
	Other		
	Total	<u>3,375</u>	<u>3,888</u>

Other Ordinary Expenses attributable to FAI are included in the figures listed above:

Salaries and wages	339	70
Salaries and wages	40	10
Superannuation	5	1
Long service leave expense	32	6
Recreation leave expense	26	4
Other related expenses		
Depreciation	-	4
Plant and equipment	32	-
Rent	20	19
Consultancy Expenditure	-	1,012
FAI Management Costs	52	57
Other		
Total	<u>546</u>	<u>1,183</u>

Financial information 2004-05

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

		2005 \$'000	2004 \$'000
NOTE 5	Investment Income		
	Distributions received from Queensland Investment Corporation	31,361	26,744
	Interest received from funds held by Queensland Treasury	133	117
	Total	31,494	26,861
NOTE 6	Receivables		
	Accrued investment income	42	38
	Queensland Treasury Indemnity Receipts	-	16,098
	Claims Recoveries & Reinsurance Receivable	1,025	13,027
	Other	47	81
	Total	1,114	29,244
NOTE 7	Investment Securities		
	Current		
	Queensland Investment Corporation	48,804	37,116
	Non-Current		
	Queensland Investment Corporation	191,189	150,236
	Total	239,993	187,352
NOTE 8	Property, Plant and Equipment		
	Plant and Equipment:		
	At cost	65	114
	Less: Accumulated depreciation	(50)	(88)
	Total	15	26

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are as follows:

	Plant & Equipment \$'000	Total \$'000
Carrying amount at beginning of the financial year	26	26
Additions	-	-
Disposals	-	-
Depreciation Charged	(11)	(11)
Carrying amount at the end of the financial year	15	15

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

		2005 \$'000	2004 \$'000
NOTE 9	Intangibles		
	Internal Use Software:		
	At cost	388	174
	Less: Accumulated amortisation	(171)	(171)
		<u>217</u>	<u>3</u>
	Internal Use Software under development:		
	At cost	-	170
		<u>-</u>	<u>170</u>
	Total	<u>217</u>	<u>173</u>
 NOTE 10	 Payables		
	Sundry creditors and accruals	<u>449</u>	<u>600</u>
	The following amounts attributable to FAI are included in the payables figures listed above:		
	Sundry creditors and accruals	<u>100</u>	<u>285</u>
 NOTE 11	 Provision for Employee Entitlements		
	The total provision is as follows:		
	Current	66	69
	Non-Current	12	-
		<u>78</u>	<u>69</u>
	Total	<u>78</u>	<u>69</u>
	The following amounts attributable to FAI are included in the provision figures listed above:		
	Current	24	11
	Non-Current	-	-
		<u>24</u>	<u>11</u>

Financial information 2004-05

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

		2005 \$'000	2004 \$'000
NOTE 12	Provision for Outstanding Claims		
	The total provision is as follows:		
	Current	63,207	78,811
	Non-Current	168,325	195,397
	Total	231,532	274,208

The consulting actuaries have recommended an undiscounted allowance of \$5.064 million (\$4.604 million discounted) for reinsurance recoveries in the valuation of the outstanding claims liabilities of the FAI-Tail claims as at 30 June 2005. While there has been no diminution in the legal standing of Nominal Defendant to these Reinsurance monies it has been recognised that the actual receipt of these funds may be protracted. As a consequence and out of prudence it has been decided to no longer recognise this allowance in the provision for outstanding claims valuation at 30 June 2005.

Outstanding Claims attributable to Nominal Defendant

Expected future claims payments (undiscounted)	178,457	163,303
Expected recoveries (undiscounted)	(7,381)	(2,806)
Discount to present value	(28,828)	(28,938)
Liability for outstanding claims	142,249	131,559
Current	28,927	26,062
Non-current	113,322	105,497
Total	142,249	131,559

- (i) The weighted average expected term to settlement from the reporting date of the outstanding claims is estimated to be 3.39 years (2004 – 3.29 years).
- (ii) The following average inflation (normal and superimposed) rates and discount rates were used in measuring the liability for outstanding claims.

Claims expected to be paid:

Not later than one year

Inflation rate	7.0%	7.0%
Discount rate	5.25%	5.75%

Later than one year

Inflation rate	7.0%	7.0%
Discount rate	5.25%	5.75%

Outstanding Claims attributable to FAI

Expected future claims payments (undiscounted)	98,971	178,130
Expected recoveries (undiscounted)	(5,064)	(17,690)
Discount to present value	(9,228)	(17,791)
Liability for outstanding claims	84,679	142,649

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
NOTE 12	Provision for Outstanding Claims (Continued)		
Current		32,387	52,749
Non-current		52,292	89,900
Total		84,679	142,649
(i)	The weighted average expected term to settlement from the reporting date of the outstanding claims is estimated to be 2.11 years (2004 – 2.27 years).		
(ii)	The following average inflation (normal and superimposed) rates and discount rates were used in measuring the liability for outstanding claims.		
Claims expected to be paid:			
Not later than one year			
Inflation rate		7.0%	7.0%
Discount rate		5.25%	5.6%
Later than one year			
Inflation rate		7.0%	7.0%
Discount rate		5.25%	5.6%
NOTE 13	Contributed Equity		
Assets and Liabilities transferred from Nominal Defendant (Queensland) on establishment of the Nominal Defendant on 1 September 1994.		121	121
Return of contributed equity – MAIC	13(i)	57,818	57,818
Non appropriated equity injection	13(ii)	187,598	172,942
Total equity at the reporting date		245,537	230,881
(i)	<u>Return of contributed equity - MAIC</u>		
Under section 33(4) and 33(5) of the <i>Motor Accident Insurance Act 1994</i> , the amount of \$57,818,000 was transferred from the Motor Accident Insurance Fund (MAIC) to the Nominal Defendant Fund on 22 January 2002 to be applied to the outstanding claims liabilities arising from the insolvency of FAI General Insurance Company Limited.			
(ii)	<u>Non Appropriated Equity Injection</u>		
Balance at the beginning of the financial year		172,942	128,365
Queensland Treasury Indemnity Receipts		14,656	44,577
Balance at the reporting date		187,598	172,942

This represents funding provided by the State Government in accordance with indemnity for shortfalls relating to liabilities of FAI General Insurance Company Limited.

Financial information 2004-05

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

		2005 \$'000	2004 \$'000
NOTE 14	Accumulated Losses		
	Accumulated Losses at the beginning of the financial year	(311,485)	(361,707)
	Profit/(Loss) from ordinary activities	52,226	50,229
	Other	1	(7)
		<u> </u>	<u> </u>
	Accumulated Losses at the reporting date	(259,258)	(311,485)
		<u> </u>	<u> </u>
 NOTE 15	 Auditor's Remuneration		
	Remuneration received or due and receivable by the Auditor-General of Queensland for external audit services	23	22
		<u> </u>	<u> </u>
 NOTE 16	 Commitments for Expenditure		
	Operating Lease Rental Commitments		
	Future operating lease rentals not provided for in the financial statements are payable as follows:		
	Due not later than one year	101	114
	Due later than one year but not later than five years	110	230
		<u> </u>	<u> </u>
	Total	211	344
		<u> </u>	<u> </u>
	 Maintenance Contract Commitments		
	Total expenditure contracted for at balance date but not provided for in the financial statements:		
	Due not later than one year	156	19
	Due later than one year but not later than five years	-	-
		<u> </u>	<u> </u>
	Total	156	19
		<u> </u>	<u> </u>

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

	NOTE	2005 \$'000	2004 \$'000
NOTE 17	Statement of Cash Flows		
(i)	Reconciliation of cash		
For the purposes of the Statement of Cash Flows, cash includes cash on hand and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Cash		2,215	1,562
Investments	7	239,993	187,352
Total		242,208	188,914
(ii)	Reconciliation of operating profit/(loss) with net cash used in operating activities		
Operating profit/(loss)		52,226	50,229
Add/(Less) non cash items:			
Depreciation and amortisation		16	27
Loss/(Profit) on disposal of Property, Plant and Equipment		-	61
Other		1	(7)
Changes in assets and liabilities:			
(Increase) in prepayments		(1)	(4)
Decrease in receivables		12,032	14,730
(Decrease) in creditors		(151)	(1,019)
Increase in unearned levies		1,133	877
(Decrease) in provisions		(42,667)	(70,967)
Net cash used in operating activities		22,589	(6,073)

The Nominal Defendant Fund has no unused borrowing or overdraft facility.

Financial information 2004-05

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 18 Financial Instruments

(a) Terms, Conditions and Accounting Policies

Financial Instrument	Related Financial Statement Notes	Accounting Policies	Terms and Conditions
<u>Financial Assets</u>			
Cash on hand	17 (i)	Recorded at book value, which approximates fair value.	
Receivables Claims recoveries and reinsurance receivable	6	Recognition – at their assessed value Measurement – based on actuarial assessment.	No interest is charged and no security is obtained
Investments	7	Recognition – on the day funds are invested. Measurement – at net market value.	May be drawn upon as and when required.
<u>Financial Liabilities</u>			
Payables	10	Recognition – upon receipt of goods or services irrespective of whether an invoice has been received. Measurement – based on agreed purchase/contract costs.	Amounts are usually settled within 30 days upon receipt of invoice.

The Fund invests with the Queensland Investment Corporation (QIC). The QIC will have invested in a variety of financial instruments including derivatives which expose the Fund's investments to a variety of investment risks including market risk, credit risk, interest rate risk and currency risk.

(b) Interest Rate Risk Exposures

The Fund invests in financial assets for the primary purpose of obtaining a return on investments, to help meet the costs of the Nominal Defendant and satisfies liabilities for motor vehicle accident claims. The Fund's return on the investments will fluctuate in accordance with movements in the market interest rates.

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 18 Financial Instruments (Continued)

2005			Fixed interest rate maturing in			Non	
	Notes	Floating interest rate \$'000	1 year or less \$'000	over 1 to 5 years \$'000	more than 5 years \$'000	interest bearing \$'000	Total \$'000
Financial assets							
Cash		2,215	-	-	-	-	2,215
Receivables	6	-	-	-	-	1,114	1,114
Investments	7	-	-	-	-	239,993 *	239,993
		2,215	-	-	-	241,107	243,322
Financial Liabilities							
Payables	10	-	-	-	-	449	449
Net Financial Assets		2,215	-	-	-	240,658	242,873
Weighted average interest rate		4.55%					

2004			Fixed interest rate maturing in			Non	
	Notes	Floating interest rate \$'000	1 year or less \$'000	over 1 to 5 years \$'000	more than 5 years \$'000	interest bearing \$'000	Total \$'000
Financial assets							
Cash		1,562	-	-	-	-	1,562
Receivables	6	-	-	-	-	29,244	29,244
Investments	7	-	-	-	-	187,352 *	187,352
		1,562	-	-	-	216,596	218,158
Financial Liabilities							
Payables	10	-	-	-	-	600	600
Net Financial Assets		1,562	-	-	-	215,996	217,558
Weighted average interest rate		4.2%					

* Investments in QIC are not classified as interest bearing as the Fund receives a distribution of profits based on the earnings of units in investments in QIC.

(c) Credit Risk Exposures

Credit exposure represents the extent of credit related losses that the Fund may be subject to on amounts to be received from financial assets. The Fund, while exposed to credit related losses in the event of non-performance by counterparties of financial institutions, does not expect any counterparties to fail to meet their obligations.

Financial information 2004-05

Nominal Defendant

Notes to and forming part of the Financial Statements
For the Year ended 30 June 2005

NOTE 18 Financial Instruments (Continued)

(d) Net Fair Values

The carrying amounts of financial assets and liabilities approximate their fair values. The fair value of investments is measured at net market value based on QIC advice.

NOTE 19 Segment Information

The Nominal Defendant operates in one primary and geographical segment and operates as a statutory body in the motor vehicle insurance industry in Queensland.

NOTE 20 Contingent Liabilities

(a) Indemnity for liabilities of FAI General Insurance Company Limited ("FAI")

In accordance with the Deed of Indemnity to the Nominal Defendant for the assumed HIH CTP Liability, funding is provided by the State Government for shortfalls relating to liabilities of FAI. Refer Note 13(ii).

In accordance with the Deed of Indemnity, where the cash receipts of the Compulsory Third Party ("CTP") levy surcharge and any amounts received from the liquidator of the HIH Group exceed the amount paid for the claims liabilities and management costs, as a result of the insolvency of FAI, the Nominal Defendant will pay the excess to the Treasurer.

(b) Funds transferred from Motor Accident Insurance Fund (MAIC)

Under section 33(6) and 33(7) of the *Motor Accident Insurance Act 1994*, should circumstances give rise to a recovery from the liquidation of FAI, or recovery from another party, the Treasurer may, by written notice to the Nominal Defendant, direct it to return funds of an amount, not exceeding \$57,818,000 to the Motor Accident Insurance Fund. Refer Note 13(i).

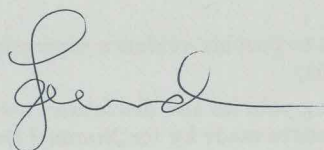
NOTE 21 Contingent Asset

On 15 March 2001 FAI General Insurance Company Limited was placed into provisional liquidation. The Nominal Defendant has by law become entitled to monies arising from Reinsurance Treaties held by FAI General Insurance Company Limited. At 30 June 2004 it was estimated that \$9.894 million was receivable and this was recognised as part of Note 6. While there has been no diminution in the legal standing of Nominal Defendant to these Reinsurance monies it has been recognised that the actual receipt of these funds may be protracted. As a consequence and out of prudence it has been decided to no longer recognise these monies as a current receivable.

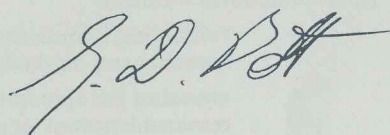
Certificate of the Nominal Defendant

The foregoing annual financial statements have been prepared pursuant to the provisions of the *Financial Administration and Audit Act 1977* and other prescribed requirements and we certify that-

- (a) the foregoing annual financial statements and notes to and forming part thereof are in agreement with the accounts and records of the Nominal Defendant; and
- (b) in our opinion –
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the foregoing annual financial statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Nominal Defendant for the year ended 30 June 2005 and of the financial position as at 30 June 2005.



L Anderson
Nominal Defendant



G Bott
Manager Systems and Finance

Dated: 28 September 2005

Independent Audit Report

To the Nominal Defendant

Scope

The Financial Report

The financial report of Nominal Defendant consists of the statement of financial performance, statement of financial position, statement of cash flows, notes to and forming part of the financial statements and certificate given by the Nominal Defendant and the officer responsible for the financial administration of Nominal Defendant for the year ended 30 June 2005.

The Nominal Defendant's Responsibility

The Nominal Defendant is responsible for the preparation and true and fair presentation of the financial report, the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

As required by law, an independent audit was conducted in accordance with *QAO Auditing Standards* to enable me to provide an independent opinion whether in all material respects the financial report is presented fairly, in accordance with the prescribed requirements, including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

Audit procedures included-

- examining information on a test/sample basis to provide evidence supporting the amounts and disclosures in the financial report;
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Nominal Defendant;
- obtaining written confirmation regarding the material representations made in conjunction with the audit; and
- reviewing the overall presentation of information in the financial report.

Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors.

The Auditor-General is the auditor of all public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which powers are to be exercised.

The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Audit Opinion

In accordance with s.46F of the *Financial Administration and Audit Act 1977* -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the statements have been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Nominal Defendant for the financial year 1 July 2004 to 30 June 2005 and of the financial position at the end of that year.

M O'Grady

M O'Grady
(as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
Brisbane

Appendices
2004-05

Motor Accident Insurance Commission



Actuarial Certificate – Nominal Defendant – Section 31 Claims

Actuarial Certificate on Outstanding Claims Liability as at 30 June 2005

Finity was asked by the Nominal Defendant to undertake a valuation of the Nominal Defendant Fund's ("The Fund") claims liabilities as at 30 June 2005 and to advise on an appropriate balance sheet provision for these liabilities.

The data, assumptions, approach and results of this valuation are described in detail in our report entitled "*Queensland Nominal Defendant Fund – Valuation of Outstanding Claims Liabilities as at 30 June 2005*". The advice set out in our report has been prepared in compliance with the relevant accounting standard AAS26, Section 2J of Division 321 of the Income tax Assessment Act 1936 and Professional Standard 300 of the Institute of Actuaries of Australia.

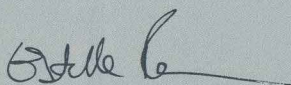
Results

The provision adopted by the Nominal Defendant as at 30 June 2005 is \$142 million. This incorporates our discounted central estimate of the outstanding claims liability allowing for future claim inflation, expected future investment income on the assets supporting the Fund's liabilities, claim handling expenses, and a prudential margin. The prudential margin adopted by the Fund allows for the risk and uncertainty associated with the estimated liability in line with the requirements under the APRA liability valuation standard.

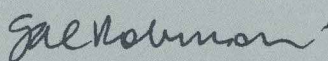
Reliances and Limitations

In preparing our advice we relied extensively on information supplied by the Nominal Defendant. Independent verification of this information was not undertaken although it was reviewed and checked for reasonableness and consistency. Reliance was placed on, but not limited to, the accuracy of the information described in our report.

Although we have prepared estimates in conformity with what we believe to be the likely future experience, the experience could vary considerably from our estimates. Deviations from our estimates are normal and are to be expected.



Estelle Pearson



Gae Robinson

Fellows of the Institute of Actuaries of Australia

Actuarial Certificate – Nominal Defendant – Section 33 Claims

Actuarial Certificate on Outstanding Claims Liability as at 30 June 2005

Finity was asked by the Nominal Defendant to undertake a valuation of the Nominal Defendant Fund's ("The Fund") claims liabilities in respect of the FAI Run-off as at 30 June 2005, and to advise on an appropriate balance sheet provision for these liabilities.

The data, assumptions, approach and results of this valuation are described in detail in our report entitled "*Queensland Nominal Defendant Fund – Valuation of Outstanding Claims Liabilities for FAI Run-Off as at 30 June 2005*". The advice set out in our report has been prepared in compliance with the relevant accounting standard AAS26, Section 2J of Division 321 of the Income Tax Assessment Act 1936 and Professional Standard 300 of the Institute of Actuaries of Australia.

Results

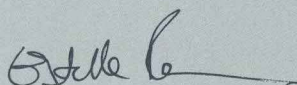
The recommended provision for the Nominal Defendant as at 30 June 2005 is \$85 million. This incorporates our discounted central estimate of the outstanding claims liability allowing for future claim inflation, expected future investment income on the assets supporting the Fund's liabilities, future reinsurance recoveries and claim handling expenses. No prudential margin is included in the estimate.

Reliances and Limitations

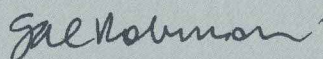
In preparing our advice we relied extensively on information supplied by the Nominal Defendant. Independent verification of this information was not undertaken although it was reviewed and checked for reasonableness and consistency. Reliance was placed on, but not limited to, the accuracy of the information described in our report.

We have assumed for the purpose of our estimates that all reinsurance recoveries under the treaties covering FAI's Queensland CTP, as well as sharing recoveries on this portfolio, will be fully recoverable.

Although we have prepared estimates in conformity with what we believe to be the likely future experience, the experience could vary considerably from our estimates. Deviations from our estimates are normal and are to be expected.



Estelle Pearson



Gae Robinson

Fellows of the Institute of Actuaries of Australia

Information Sources

Publications

The Commission has the following publications available to the public at no charge:

- The Motor Accident Insurance Commission Annual Reports
- Work Training Guidelines for CTP Rehabilitation Providers
- MAIC Guidelines for CTP Rehabilitation Providers
- Review of Queensland Compulsory Third Party Insurance Scheme 1999
- Mitigating State Government Risk in Compulsory Third Party Insurance Papers (February 2002, December 2002)
- Whiplash Injury Recovery – A Self-Management Guide

Website

The publications listed are also available online at www.maic.qld.gov.au, the Commission's website, along with the following information:

- CTP claims information
- Information on the CTP premium setting process
- Forms for claimants, legal practitioners and medical practitioners
- Information for medical practitioners, rehabilitation providers, and legal practitioners
- Guidelines and information for insurers
- MAIC funding initiatives
- a CTP premium calculator to assist motorists in obtaining information on premium rates

Telephone Services and Community Participation

The Commission operates a helpline which is accessible free of charge to the Queensland public. The helpline staff assist the public in understanding the operations of the CTP scheme, the claim process, and record complaints and suggestions on how the scheme could be improved. The helpline number is 1300 302 568.

A dedicated CTP premium information line (1300 735 404) has also been established to assist Queensland motorists with premium rates from different insurers.

The Commission is involved in regular discussions with motoring organisations, licensed CTP insurers, the legal profession, and the medical and allied health professions to ensure the scheme operates effectively and balance is maintained between the needs of injured claimants and paying motor vehicle owners.

Information Sources

Freedom of Information

Requests under the *Freedom of Information Act 1992* are handled by the Insurance Commissioner for documents held by the Motor Accident Insurance Commission and by the Nominal Defendant for documents held by the Nominal Defendant.

How do I make an application?

A formal application for documents under the *Freedom of Information Act 1992* may be made on an application form or by letter.

The application must:

- be in writing;
- state an address to which a notification of the decision may be sent; and
- be accompanied by a \$35.25 application fee if the information relates to non-personal affairs. There is no application fee to look at documents about your personal affairs.

If the documents required relate to personal affairs, there must be proof of identification.

Post applications to:

Motor Accident Insurance Commission
GPO Box 1083
Brisbane QLD 4001

Nominal Defendant
GPO Box 2203
Brisbane QLD 4001

Are there any charges for processing the application?

Processing of non-personal documents is charged at the rate of \$5.20 for each 15 minutes or part thereof. There may be further charges for inspection of documents. Photocopies of documents regarding a non-personal application are available at 20 cents per photocopied page.

There is no charge for processing applications or photocopies of information regarding an applicant's personal affairs.

Compulsory Third Party Insurers

Currently Licensed CTP Insurers (as at 30 June 2005)

Allianz Australia Insurance Limited

GPO Box 2226
Brisbane Qld 4001
Ph 13 1000
ABN 15 000 122 850

Australian Associated Motor Insurers Limited

GPO Box 1155
Brisbane Qld 4001
Ph 13 22 44
ABN 92 004 791 744

Insurance Australia Limited (trading as NRMA Insurance)

GPO Box 5730
Brisbane Qld 4001
Ph 13 21 32
ABN 11 000 016 722

QBE Insurance (Australia) Limited

GPO Box 1072
Brisbane Qld 4001
Ph 07 3031 8444
ABN 78 003 191 035

RACQ Insurance Limited (trading as RACQ Insurance)

PO Box 3313
Tingalpa DC Qld 4173
Ph 13 19 05
ABN 50 009 704 152

Suncorp Metway Insurance Limited

GPO Box 1453
Brisbane Qld 4001
Ph 13 11 60
ABN 83 075 695 966

Previously Licensed CTP Insurers (as at 30 June 2005)

CIC Insurance Limited

ACN 004 078 880
Licence withdrawn 22/01/1996
Insurer became insolvent on 15 March 2001

GIO General Limited

ACN 002 861 583
Licence withdrawn 30/06/1996

Mercantile Mutual Insurance (Australia) Ltd

ACN 000 456 799
Licence withdrawn 01/11/1996

Commercial Union Assurance of Australia Ltd

ACN 004 478 371
Licence withdrawn 01/03/1997

Zurich Australian Insurance Limited

ACN 000 296 640
Licence withdrawn 15/11/1997

Fortis Insurance Limited

(formerly VACC Insurance Co. Limited)
ACN 004 167 953
Licence suspended 30/03/1999 pending withdrawal

FAI General Insurance Company Limited

ABN 15 000 327 855
Licence suspended on 1 January 2001
Insurer became insolvent on 15 March 2001

FAI Allianz Limited

(trading as FAI Insurance)
ABN 80 094 802 525
Licence withdrawn 01/07/2002

NB: For further information regarding the above listed insurers please contact the Motor Accident Insurance Commission's CTP Claims Helpline on 1300 302 568.

Grants and Funding

	Future Commitment* \$	2004/05 \$	2003/04 \$
CONROD (Including the Chair of Rehabilitation Medicine)	1,819,664	2,236,975	1,893,057
CARRS-Q	1,296,000	1,136,000	1,136,000
Road Accident Prevention and Road Safety Rural & Remote Research Project	450,946	347,755	164,154
Royal Children's Hospital Foundation Statewide Paediatric Rehabilitation Service	0	0	320,000
Emergency Services – Queensland Ambulance Service Queensland Trauma Plan Project	0	0	125,141
Injury Prevention and Control Australia Ltd Member contribution to NHMRC Partnerships in Injury Research	100,000	100,000	100,000
Griffith University Centre for Human Services	60,000	60,000	60,000
University of Queensland ARC Linkage Grant – Prediction of Outcome Following Whiplash Injury: a Multi-Centre International Prospective Study	200,000	0	0
TOTAL	3,926,610	3,880,730	3,798,352

* Includes all grant funding from 1 July 2005 onwards.

Grants and Funding

Ongoing Projects Funded in Previous Years

- Royal Australian College of General Practitioners Research Fellowship
- Royal Australasian College of Physicians Research Fellowship
- Royal Australasian College of Surgeons Research Fellowship
- Queensland University of Technology
 - Clinical Biomechanics Research Fellowship
- University of Southern Queensland
 - Mechatronics and Biomedical Engineering Research Fellowship
- University of Queensland
 - School of Health & Rehabilitation Sciences – Research Unit
 - Teaching and Community Services Rehabilitation Research Fellowship

Research Centres

The two Commission funded research centres (CONROD and CARRS-Q) produce reports covering research conducted within the centres and research projects funded through competitive grants.

The current CONROD report relates to calendar year 2004 and is available by contacting the centre on (07) 3365 5560. For further information on CARRS-Q or CONROD research activities, please visit www.carrsq.qut.edu.au and www.uq.edu.au/conrod/

Committees as at 30 June 2005

Section 11 of the *Motor Accident Insurance Act 1994* enables the Commission to establish advisory committees to advise on the exercise of the Commission's statutory functions. On 14 September 2004, the Treasurer reappointed an Advisory Committee to advise on the setting of premium bands and aspects of affordability and scheme efficiency. The Committee is also advising on matters in relation to frameworks for monitoring the financial strength of individual insurers.

The structure of the current committee is:

Chairperson: Bernard Rowley

Members: Henry Smerdon, Noel Mason and Shauna Tomkins

The Advisory Committee has the benefit of long industry experience, within both government and the insurance industry. The areas of expertise of individual members are:

Committee member	Area of expertise
Bernard Rowley former CEO of Suncorp	Insurance and actuarial experience
Henry Smerdon former Under Treasurer	Public policy, economic and financial experience
Noel Mason former CEO of RACQ	Insurance and motoring organisations experience
Shauna Tomkins formerly with the Australian Financial Institutions Commission	Financial system regulatory experience

From 1 July 2004 to 30 June 2005, a total of 11 meetings of the Advisory Committee were held, in addition to 2 occasions of special assignments. The total remuneration to the Committee for the year was \$17,740. These payments were made within the framework of the Government's *Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities* arrangements administered by the Department of Industrial Relations.

Contact Details

Motor Accident Insurance Commission

Address: Level 9, 33 Charlotte Street, Brisbane
Postal Address: GPO Box 1083, Brisbane Qld 4001
Ausdoc: DX 147 Brisbane Qld
Telephone: 07 – 3227 8088
Facsimile: 07 – 3229 3214
E-mail: maic@maic.qld.gov.au
Website: www.maic.qld.gov.au

Insurance Commissioner
Deputy Insurance Commissioner
Executive Assistant
Reception/Administrative Assistant
Principal Adviser
Manager, Policy and Liaison
Project Officer
Project Officer
Senior Policy Officer
Manager, Premiums, Systems and Finance
Senior Finance Officer
Finance Officer
Senior Analyst
Policy Officer
Assistant Manager, Research and Compliance
Industry Liaison Officer
Research Officer
Data Analyst
Manager, Injury Management & Claims
Policy Advisor
Policy Advisor
Client Services Officer
Client Services Officer
Client Services Officer

Lesley Anderson 07 – 3227 8105
John Hand 07 – 3227 8125
Shirley Millett 07 – 3227 7063
Chris Saville 07 – 3227 8088
Les Kilmartin 07 – 3033 0095
Neil Tomkins 07 – 3227 8242
Janette Archibald 07 – 3224 4834
Phu Pham 07 – 3247 4752
Melissa Pignolet 07 – 3224 4383
Greg Bott 07 – 3227 8164
Tulia Koroivawai-Gauna 07 – 3224 5018
Kellie Phie 07 – 3224 4835
Ursula Hauser 07 – 3227 7056
Debbie Davis 07 – 3224 4562
Wayne Saville 07 – 3234 0598
*Lynne McCall/Mark Cowling 07 – 3227 8022
Lisa Hopson 07 – 3224 4849
Beth Sanders 07 – 3224 4330
Kim Birch 07 – 3227 8162
David Vincent 07 – 3234 2596
Cathy Pilecki 07 – 3244 5002
David Judd 07 – 3224 5960
Rebecca Lai 07 – 3227 8432
Helen Grundy 07 – 3227 8250

Nominal Defendant

Address: Level 9, 33 Charlotte Street, Brisbane
Postal Address: GPO Box 2203, Brisbane Qld 4001
Ausdoc: DX 147, Brisbane Qld
Telephone: 07 – 3227 7993
Facsimile: 07 – 3221 4805
E-mail: nd@maic.qld.gov.au
Website: www.maic.qld.gov.au

Nominal Defendant
Manager, Nominal Defendant
Assistant Manager, Nominal Defendant
Claim Manager
Claim Manager
Claim Manager
Claim Manager
Claim Manager
Assistant Claim Manager
Assistant Claim Manager
Administration Officer
Claim Manager – FAI Run-Off
Claim Manager – FAI Run-Off

Lesley Anderson 07 – 3227 8105
Mark Allsopp 07 – 3227 8213
*Rob Lee/Don Sacre 07 – 3227 8908
Laurie Meteyard 07 – 3227 8354
Rex Mellifont 07 – 3227 8387
John Foster 07 – 3227 8353
Ian Evans 07 – 3227 8359
Michael Walpole 07 – 3227 8284
Katie Gilmour 07 – 3227 8402
Esther Lewis 07 – 3227 8412
Sandra Clifton 07 – 3227 8596
Pippa McWha 07 – 3033 0097
Kevin Lee 07 – 3033 0096

* Appointee on extended leave

CTP Claims Helpline: 1300 302 568
CTP Premium Information Line: 1300 735 404

