

VISION

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

MISSION

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

OPERATING PHILOSOPHY

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

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LETTER OF TRANSMITTAL



31 October 2017

Ministers responsible for NMVTRC business

The Hon. Mick Gentleman MLA

The Hon. Troy Grant MP

The Hon. Michael Gunner MLA

The Hon. Michelle Roberts MLA

The Hon. Rene Hidding MP

The Hon. Chris Picton MP

The Hon. Lisa Neville MP

President of the Insurance Council of Australia

In accordance with the Rules of Association of the National Motor Vehicle Theft Reduction Council Inc., I have pleasure in submitting the NMVTRC's Annual Report for the year ended 30 June 2017.

Yours sincerely,

David M Morgan (A0)

Chairman

NMVTRC MEMBERS



David MorganIndependent Chair



James Hurnall
Federal Chamber of Automotive
Industries



Andrew Lee
Department of Transport
WA (Austroads)



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



Murray Chapman NSW Police (Law, Crime and Community Safety Council)



Richard Dudley Motor Trades Association of Australia



Karl SullivanInsurance Council of Australia



Rob Bartlett
Suncorp Group
(Insurance Council of Australia)

CHAIRMAN'S REPORT



The year to June 2017 delivered a second challenging year for vehicle crime reduction with overall theft volumes rising by a further 4 per cent to 56,200.

Short term passenger/light commercial (PLC) thefts made up the highest proportion of the rise (6 per cent), which was off-set by decreases in profit-motivated motorcycle and other vehicle theft. New South Wales was the only state to experience a reduction in profit motivated theft with increases in Victoria, Queensland and South Australia.

Clearly there remains more to do to deliver our vision of achieving the lowest rate of vehicle theft in the developed world.

Despite this, national volumes remain 6 per cent lower than five years ago and the July-September quarter is likely to see the persistent upward rolling trend of the past two years reversed.

In the NMVTRC's assessment, the principal vehicle crime concerns currently facing the nation remain the:

- prevalence of residential burglaries to access the keys of 'secure' vehicles, which in some cases have been associated with extreme violence; and
- almost 10,000 cars that appear to simply vanish altogether from our roads each year – the surrogate indicator of the level of organised criminal activity seeking to convert stolen vehicles into cash.

While the current theft environment continues to present significant challenges, the unwavering support of our key stakeholders remains evident

and we remain committed to working cooperatively with our industry, government and community partners to deliver a program of sustainable improvements to disrupt criminal activity and contribute to the nation's social and economic well-being.

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

In terms of the 2016/17 program the highlights of the year included the:

- continued development and success of our collaboration with Mission Australia and the Suncorp Group in Synergy Repairs, which in April was the recipient of the International Association of Auto Theft Investigators (IAATI) Outstanding Contribution Award;
- modernisation of scrap metal laws in New South Wales and Victoria – the former via Australian-first crime prevention laws aimed at curbing the illicit trade in scrap metal and the lure of quick cash for criminals;
- high levels of compliance by insurers nationally with the NMVTRC/Austroads damage criteria for light vehicle write-offs with independent expert audits confirming the accuracy and 'safety' of assessments;
- commitment of heavy vehicle stakeholders to the development of equivalent arrangements for trucks, buses and registered plant and equipment;
- success of the Australian Vehicle Crime Conference with participants overwhelmingly rating program content and organisation as very good or excellent;
- reintroduction of our Operation Bounce Back partnerships with local government in crime hot spots nationally; and
- continued development of our expert data services for select law enforcement agencies.

The coming year will see Australian governments and the insurance industry make decisions on whether to extend the NMVTRC's life into a further term. It is therefore pleasing to note that independent surveying by Nexus Research, as part of the organisation's review process, highlighted the NMVTRC's strong commitment to collaboration with stakeholders, giving us top marks for strategy development and consultation.

The companion independent expert quantification of the economic benefits of the NMVTRC's reform program estimates that since mid-2012 the:

- benefits of related reforms exceed their costs by \$220 million dollars, with each \$1 invested delivering \$2.20 of benefits; and
- NMVTRC's performance has delivered a Benefit-Cost Ratio of 19.1 for the funding bodies' investment.

The year also saw some key changes in the membership of the Council with:

- Insurance Australia Group executive Paul Tomic ending his term as an Insurance Council representative; and
- the Suncorp Group's Rob Bartlett filling a separate Insurance Council vacancy.

My thanks to all those involved for ensuring a smooth transition.

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

David M Morgan (AO)

Chairman

EXECUTIVE DIRECTOR'S REPORT



As noted by the Chairman in his report, the last 12 months have been challenging in our mission to deliver a culture of continuous and sustainable theft reduction amongst our stakeholders and the broader Australian community.

The primary role of the NMVTRC is to facilitate the implementation of vehicle crime reforms, and coordinate associated activities across industry, agency and jurisdictional boundaries. As a result the NMVTRC's brief is broad, involving all stages of vehicle theft prevention policy, including:

- · policy development;
- the coordination of implementation; and
- the monitoring of outcomes.

The NMVTRC has adopted a Secure System approach to the design of its programs. This approach takes a holistic view of the dynamics of vehicle crime and the interaction between vehicle design and manufacture, motorist choices, perceptions and behaviour offender actions, and government and industry practices.

In simple terms, a Secure System should minimise the opportunity for theft to occur, increase the effort required to launder stolen vehicles and parts, and increase the likelihood and consequences of detection. You can view a short video, Towards a Secure System, about the NMVTRC's approach via this link — http://carsafe.com.au/about-us.

We also remain committed to:

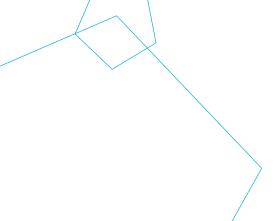
- seeking input from subject experts at every stage from project design to development to implementation;
- maintaining the most transparent and accessible consultative and communications mechanisms possible to ensure stakeholders and affected parties are informed of progress and issues;
- asking stakeholders to rate us regularly and reporting the results publicly;

- seeking to continually improve our data and related services to ensure its accuracy, timeliness, flexibility and accessibility;
- applying an action-oriented approach to research;
- maintaining a consistent, persistent and non-bureaucratic approach to dealing with issues;
- · continuing to be organisationally lean; and
- · demonstrating value for money.

It is our view that while there have been many successes (and some new challenges) over the last five years, there is still important work to be done and that the NMVTRC is well positioned to continue its leadership role in driving down vehicle theft in Australia.

Ray Carroll

Executive Director







1Operation
Bounce Back



5Better data utilisation





2Synergy Repairs



Disrupting the export, dismantling or recycling of vehicles



Australian
Vehicle Crime
Conference

OUR PEOPLE



Ray Carroll Executive Director



Geoff HughesDirector Strategy and Programming



Caitlin Hrambanis
Projects and Communications Coordinator



Danielle Meagher Administration Officer

MOTOR VEHICLE THEFT IN AUSTRALIA 2016/17



Passenger/ light commercial Heavy/other

Motorcycles

45,666 thefts

8,056 thefts

2,462 thefts

16%

₩2%

₩3%

The 2016/17 financial year saw total passenger/light commercial (PLC) vehicle theft increase 6 per cent to a total of 45,666. Short term PLC thefts increased by 6 per cent with profit-motivated thefts rising by 5 per cent.

Short term theft

Total short term theft increased by 1,839 (5 per cent) to 40,915 vehicles, comprising 88 per cent PLCs, 9 per cent motorcycles and 3 per cent heavy/other vehicle types.

PLC theft analysis

A total of 36,000 PLC vehicles were stolen and subsequently recovered. Of these:

- 24 per cent were less than six years old;
- 22 per cent were between six and 10 years old; and
- 53 per cent were more than 10 years old.1

The proportion of immobilised vehicles stolen for short term use continued to rise over the year with 75 per cent fitted with an Australian Standards Equivalent (ASE)² immobiliser. Another 3 per cent were fitted with a non-ASE immobiliser.

Small cars now make up the greatest proportion of vehicles on Australia roads and this is reflected in theft numbers. Twenty-eight per cent of thefts were small passenger cars followed by large passenger cars (18 per cent). The most popular theft targets were:

- Nissan Pulsar N15 (MY95-00) with 845 thefts:
- Holden Commodore VE (MY06-13) with 733 thefts; and
- Toyota Hilux (MY05-11) with 468 thefts.

Light commercial utilities made up 17 per cent of all short term thefts, with the Toyota Hilux (MY05-11) the third most stolen vehicle overall and the Nissan Navara D40 MY 05-15 (313 thefts) and the Toyota Hilux MY12-15 (303 thefts) in ninth and tenth place respectively.

PLC five year trends

Short term PLC theft is up 5 per cent from 2012/13 when 34,200 vehicles were stolen. Theft of other vehicles is down 14 per cent and motorcycle theft decreased by 12 per cent.

The age distribution of short term thefts over the past five years has clearly been changing. Figure 1 overpage shows the end of 2012 marked a clear shift in the theft dynamic which saw late model vehicles manufactured from 2001 onwards taking over as the top theft targets.

In 2012/13, 59 per cent of PLCs stolen and recovered were fitted with an ASE immobiliser. The rise to 75 per cent over the past five years echoes the increased immobilisation rate of Australia's vehicle fleet and the growing incidence of thieves gaining access to the key and transponder in order to steal 'secure' vehicles.

^{1.} In addition the vehicle age was unknown in 1 per cent of short term thefts.

^{2.} The term ASE was developed by the NMVTRC to cover original equipment immobilisers that comply with the Australian Design Rules and after-market devices that meet the Australian Standards.

MOTOR VEHICLE THEFT IN AUSTRALIA 2016/17 CONTINUED



Figure 1: Passenger/light commercial vehicles – short term thefts by quarter, 2012/13–2016/17

Motorcycles

Short term motorcycle thefts decreased by 268 thefts (7 per cent) bringing the 2016/17 total to 3,700. Where the motorcycle body type was known, in 2016/17:

- one in five motorcycles stolen were unregistered/off-road bikes;
- on-road scooters made up 20 per cent of all motorcycle thefts, followed by on-road sports bikes (19 per cent) and off-road sports bikes (9 per cent);
- over 70 per cent of bikes stolen were manufactured from 2000 onwards; and
- consistent with their market share, Honda and Yamaha topped the list of the most stolen short term thefts overall with 699 and 553 thefts respectively.

Profit-motivated theft

Total profit-motivated theft increased by 460 thefts, bringing the 2016/17 total to 15,270. The theft of PLCs increased by 490 (5 per cent) but were offset by a reduction of 46 (4 per cent) of other vehicle types. The vehicle mix consisted of 64 per cent PLCs, 29 per cent motorcycles and 8 per cent other.

PLC theft analysis

PLC thefts increased by 491 (5 per cent) in the year to a total of 9,720. The age distribution was:

- 15 per cent less than six years old;
- 21 per cent between six and 10 years old; and
- 62 per cent more than 10 years old.3

The 16+ year age group made up the single largest proportion (36 per cent).

Seventy per cent of PLC vehicles stolen for profit were fitted with an ASE immobiliser. Twenty-seven per cent were not fitted with any type of immobiliser.

Large passenger vehicles remained the most popular target of profit-motivated theft, making up 22 per cent of vehicles stolen. Light commercial utilities were the second most commonly targeted group at 20 per cent. The top theft makes and models for the year were the:

- Holden Commodore VE (MY06-13) with 249 thefts;
- Toyota Hilux (MY05-11) with 201 thefts; and
- Holden Commodore VT (MY97-00) with 174 stolen not recovered.

Five-year trends

Profit-motivated PLC and motorcycle theft is down 2 per cent and 3 per cent respectively from 2012/13. Theft of other vehicles is also down 10 per cent.

As shown in figure 2, the age profile for profit-motivated PLC thefts reveals a gradual shift away from vehicles more than 16 years old towards a more even age distribution. Despite this, PLCs valued at less than \$5,000 continue to make up the highest proportion of profit-motivated theft (44 per cent), indicating the targeting of older vehicles for their scrap metal value (figure 3).

While large passenger vehicles continue to be the most popular targets of profit-motivated theft (24 per cent in 2012/13 compared with 22 per cent in 2016/17), there has been a noticeable shift towards SUVs rising from 14 to 17 per cent.

^{3.} In addition the vehicle age was unknown in 3 per cent of profit-motivated thefts.





1Operation
Bounce Back

Operation Bounce Back is the NMVTRC's partnership with local government in crime hot spots nationally to reduce the theft of vehicles in residential burglaries.

In its twelfth year, the program continues to deliver results with most participating municipalities achieving reductions in the range of 20 to 60 per cent.

MOTOR VEHICLE THEFT IN AUSTRALIA 2016/17 CONTINUED

Motorcycles

Profit-motivated motorcycle theft remained stable in 2016/17. The 4,355 thefts represent 29 per cent of all vehicles stolen not recovered. There were some significant differences between profit-motivated and short term motorcycle theft. Where the motorcycle body type was known:

- The largest proportion of profit motivated motorcycle thefts relate to on-road sports bikes (18 per cent), off-road sports bikes (18 per cent) followed by on-road scooters (16 per cent).
- Higher capacity bikes between 200cc and 500cc are the most commonly targeted for profit (42 per cent).

For a more in-depth analysis of thefts in the 2016/17 financial year including breakdowns for all jurisdictions go to http://www.carsafe.com.au/statistics

Figure 2: Australia – passenger/light commercial vehicles – percentage of profit-motivated thefts by vehicle age group, 2012/13 and 2016/17

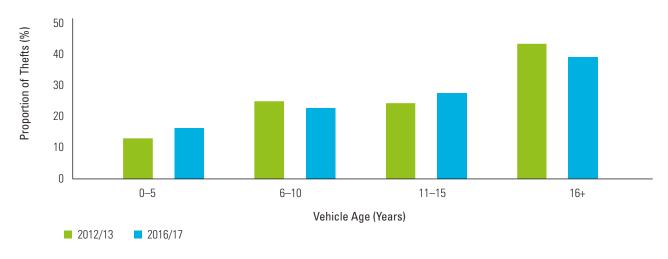
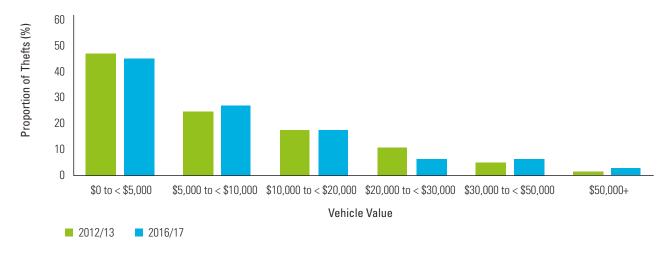


Figure 3: Australia – passenger/light commercial vehicles – percentage of profit-motivated thefts by Glass's Guide value estimate, 2012/13 and 2016/17







Synergy Repairs

young offenders acquire recognised trade skills and secure full-time employment in the repair sector.

In April 2017 Synergy was awarded IAATI's President's Award for the outstanding contribution by an individual or a team in the reduction or deterrence of motor vehicle theft in Australia.

REFORM ACTIVITY

Disrupting vehicle laundering markets

Better management of end-of-life vehicles (ELV)

As whole vehicle laundering has become almost impossible to execute without detection, the dismantling or stripping of major components has become increasingly more attractive and less risky for car criminals. Criminal networks are also now more likely to dispose of the stripped shell by crushing or shredding rather than simply abandoning it.

Gaps and anomalies in the way the separated parts and scrap metal markets have been traditionally regulated across Australia have allowed criminal 'theft for scrap' rackets to flourish with little risk of detection. The NMVTRC has been calling for the modernisation of related laws across Australia since 2012 to remove ambiguities and gaps, and deal more effectively with enduring non-compliance.

In response, the New South Wales (NSW) Government introduced Australian-first crime prevention laws aimed at curbing the illicit trade in scrap metal, and end-of-life vehicles in particular. The Scrap Metal Industry Act commenced operation in NSW in March 2017 and requires persons dealing in scrap metal to register with NSW Police, bans cash transactions and imposes a range of obligations on participants to maintain certain records and report suspicious activity.

The NMVTRC's preference is for other jurisdictions to replicate the NSW model in precisely the same form, i.e. as a standalone crime prevention initiative that is not burdened by the significant deficiencies of existing second-hand trading and LMCT laws.

In May, however, the Victorian Government also announced that it would amend its second-hand dealing laws to adopt key elements of the NSW approach, including a ban on cash payments and trading in de-identified vehicles. Unfortunately, the powers granted to police in terms of entry, search and seizure powers do not appear optimal compared to NSW.

While the NSW and now Victorian reforms represent major steps forward, similar vulnerabilities exist in all the remaining states and territories with like reform required to close off gaps that allow some activity to go unregulated and equip regulators with a better 'tool-kit' to deal with serial non-compliance.

Review of changed written-off vehicle landscape

Historically, profit-motivated thieves attempting to convert whole vehicles into cash harvested identifiers from damaged vehicles that had been declared write-offs (WOVs) to later present the stolen vehicle as the repaired wreck. As this avenue was closed off with the introduction of the first round of national written-off vehicle reforms in 2002–2004, determined thieves switched to using a genuine repairable write-off (RWO) as a 'Trojan' for laundering stolen parts.

This ultimately led to New South Wales banning the re-registration of most WOVs while other jurisdictions have adopted the NMVTRC's more rigorous assessment criteria to ensure that those vehicles which have sustained significant collision, fire or water damage are identified as suitable only for dismantling.

In mid-2017 the NMVTRC completed a review of how the WOV landscape has changed over the past five years in the face of the new criteria and NSW total ban.

The review was designed as four discreet, sequential stages, comprising:

 a statistical analysis of the changes in SWO/RWO shares and volumes since the key structural changes were implemented;

- an assessment of the criminogenic impacts of both the new criteria and the NSW ban;
- select audits of the assessment/ classification process to confirm that the revised criteria are being applied consistently and whether further industry training may be required; and
- the development of recommendations for further reform or remedial actions.

The first stage comprised a high level statistical analysis of the changes in WOV reporting since these key structural changes were implemented. A range of data was extracted from Austroads' NEVDIS Database to quantify changes in the ratio of repairable to statutory write-offs (both nationally and by jurisdiction) and overall WOV volumes.

This data indicates a positive effect has been seen in most jurisdictions with SWO shares increasing by between nine and 19 percentage points.

To ensure that the revised criteria are being applied consistently, the NMVTRC also commissioned expert technical consultants to undertake an 'in-field' audit of auction house stock to confirm the accuracy of assessments and identify any instance where a vehicle assessed to be an RWO may pose a structural repair risk.⁴

In summary, the audit sample of more than 400 vehicles found:

- a high level of accuracy in the classification process at 97 per cent;
- no evidence of misclassification by design or intent to maximise salvage values;
- confirmation of the insurers' intent to assess damage correctly – evidenced by the extent of partial dismantling to obtain a clear view of structural elements and a propensity to apply an SWO classification where a structural load was suspected but not easily visible or accessible.

- all work is undertaken by a competent, qualified repairer using appropriate equipment;
- the vehicle manufacturer's specified method of repair is strictly observed; and
- appropriate quality recycled or original replacement parts are used.

^{4.} The key determinant for such vehicles is whether a complete and safe repair could be assured provided that:



REFORM ACTIVITY CONTINUED

All RWOs audited were assessed as posing 'no risk' in terms of effecting a complete and safe repair.⁴

However, the audit did reveal two areas where some assessors appeared to have difficulty applying the correct judgement implied in the NMVTRC's technical guide New Damage Assessment Criteria for the Classification of Statutory Write-Offs (NMVTRC/Austroads 2012). They relate to:

- cases of body misalignment, indicating a structural load in the rear pillars without a visible load indicator in very small vehicles; and
- delineation of the roof from the rear pillars in a small number of cases where there was clear evidence of damage reaching into the roof area appearing to be assessed as being contained to the adjoining pillar only.

While neither of these issues were assessed as compromising the vehicle's reparability, the NMVTRC is considering minor narrative and/or illustrative changes to the technical guide that will aid consistency without requiring additional load indicators or definitional changes.

Consistent management of heavy vehicle write-offs

While the frequency of heavy vehicle (HV) theft is relatively low at less than 5 per cent of all thefts, the cost of an incident can be extremely high with a single prime mover worth hundreds-of-thousands of dollars. Costs to individuals and businesses impacted by this type of theft will be generally much higher than for other vehicles in terms of temporary replacement costs, lost productivity and increased insurance premiums.

HVs pose significant challenges in developing cost-effective theft countermeasures. In the case of prime movers the high level of customisation of vehicles and the interchangeability of key components make conclusive identification very difficult even for the very experienced eye.

In May 2017, the Transport and Infrastructure (Ministerial) Council agreed for jurisdictions, together with industry stakeholders and the Heavy Vehicle Regulator, to establish a National Written-Off Heavy Vehicle Register as a priority.

The work is being led by Transport for NSW (TfNSW) with support from Austroads, the NMVTRC and a group of industry-nominated experts. An early priority for the group has been the consideration of expert technical advice on the development of an appropriate set of engineering-based criteria for determining when a heavy vehicle that has been declared a total loss, as the result of damage from a collision, weather, fire or other relevant event, is only suitable for re-use as parts or as scrap.

TfNSW expects to make final recommendations to Ministers on the design of the scheme by the end of 2017.

Improving the value of the Personal Property Securities Register (PPSR)

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

The PPSR is the national one-stop-shop for vehicle encumbrance, stolen and written-off status for consumers and the motor trades. It is operated by the Australian Government and provides prospective buyers of used vehicles with a one-off certificate confirming a vehicle's recorded status.

The year saw the NMVTRC reach agreement with Austroads, the Australian Financial Security Authority and police services nationally to improve the interpretation of key written-off vehicle data stored in the PPSR by re-aligning it with the nationally agreed set of incident types, damage location and severity codes. This will assist vehicle purchasers to make more informed decisions about the true value of any repairable write-off they were considering purchasing, including whether a full and complete repair had been effected.

In the year to 30 June 2017, the PPSR processed almost nine million registration status checks.

Secure compliance labels

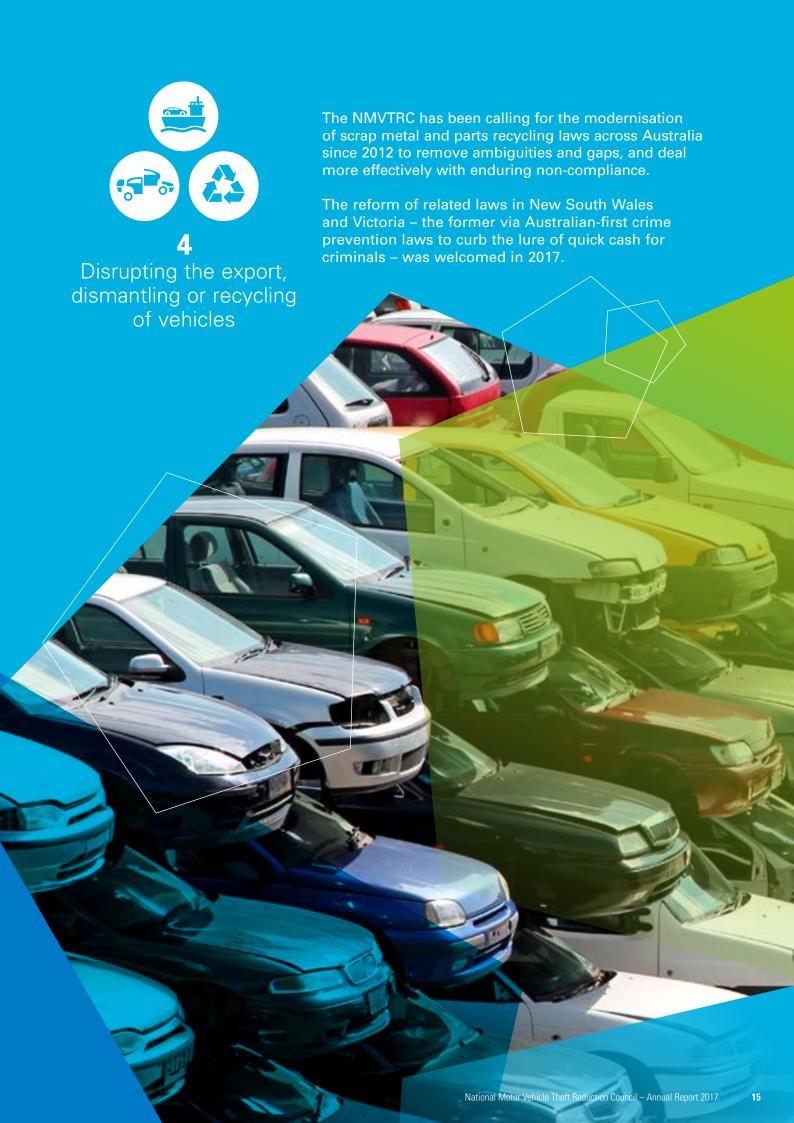
In 2016/17 more than 600,000 new vehicles sold in Australia carried a compliance label that meets with the NMVTRC's performance-based technical specification. The label's unique features ensure that it cannot be transferred between vehicles without easy detection, cannot be copied, and is easy to authenticate. The year's result brings the total volume of vehicles protected since the label's first introduction in 2007 to more than 5.2 million.

Whole of vehicle marking

A further 48,000 new vehicles sold in the year carried up to 7,000 microdots each bearing the vehicle's unique 17-digit identification number, making it virtually impossible for profit-motivated thieves to hide a vehicle's original identity. Almost 450,000 vehicles sold in Australia since 2009 have had the NMVTRC-endorsed system fitted as standard equipment.

- all work is undertaken by a competent, qualified repairer using appropriate equipment;
- the vehicle manufacturer's specified method of repair is strictly observed; and
- appropriate quality recycled or original replacement parts are used.

^{4.} The key determinant for such vehicles is whether a complete and safe repair could be assured provided that:



REFORM ACTIVITY CONTINUED

Diverting young offenders

Synergy Repairs (social enterprise) for young recidivist offenders

On any day there are around 1,400 young people held in juvenile detention nationally and a very high proportion of them are there as a result of motor vehicle offences. Detention is costly — keeping a young person in secure care costs more than \$440,000 a year — and its impact on post-release re-offending is open to debate. Recidivist offenders are often returned to the community without the skills or support required to leave their former lifestyle behind.

In larger Australian cities it is not uncommon for a 'proficient' young thief to have stolen more than 300 cars by his or her late teens.

High rate vehicle theft has also been shown to be a strong indicator of a young person's likely involvement in other forms of crime. Car crime also kills, with almost 60 theft-related fatalities across Australia in the past five years. Almost half of those killed were young people aged under 21.

For these reasons, the NMVTRC remains an advocate for the expert design and delivery of diversionary programs for young vehicle theft offenders based around technical training and the development of trade skills.

Young offenders have a chance to turn their lives around through the commercially based social enterprise Synergy Repairs. Synergy is a unique partnership between Mission Australia, the Suncorp Group and the NMVTRC to deliver technical training and work experience for offenders aged 16–20 with a view to them securing full time employment in the repair sector.

All work is supervised by an experienced, trade-qualified workshop manager and two full time spray painters and panel beaters and must the meet same quality standards of other Suncorp repairers.

Synergy continues to perform well with more than 21 young men and women placed in related apprenticeships and a further eight engaged in trade-related jobs. It was also awarded the IAATI International Association of Auto Theft Investigators (IAATI) 2017 Award for the outstanding contribution by an individual or a team in the reduction or deterrence of motor vehicle theft in Australia at the Association's dinner in April.

Back on Track (Tasmania)

In 2015 the Tasmanian Government announced its intention to introduce a new diversion program for adult offenders. Back on Track:

- works with moderate to high-risk offenders aged between 18 and 25 years who are new to the adult justice system; and
- is based on intensive, tailored case management with referral to other specialist programs and services to improve skills, opportunities for employment and address the personal triggers that lead to offending.

The NMVTRC agreed to support the program by meeting the cost of independent evaluation services. The NMVTRC subsequently engaged leading academic forensic psychologists Dr Sharon Casey and Andrew Day to develop the evaluation framework and conduct the annual reviews.

The outcomes of the evaluation will assist Tasmania's Community Corrections Service to assess the program's effectiveness and value. As part of the evaluation design the performance of vehicle crime offenders will be assessed as a discrete cohort of the overall participant group.

Due to a slower than expected establishment phase the first full annual review should be completed in the September-December quarter 2017.

Insights into contemporary young offender behaviour in Victoria

Since 2014 Victoria has experienced unprecedented increases in both short term and profit-motivated theft. As a result, Victoria has replaced NSW at the top of the nation's 'theft league table' for the first time.

A small number of high-profile incidents have involved the use, or implied use of violence in a series of aggravated burglaries and on-road 'car-jackings'. The rate at which the theft of a vehicle has been directly associated with other criminal offences has more than doubled since 2012.

While overall crime rates for young offenders are down, there has been a significant increase in assault and related crime which has contributed to an overall increase in offences against the person.

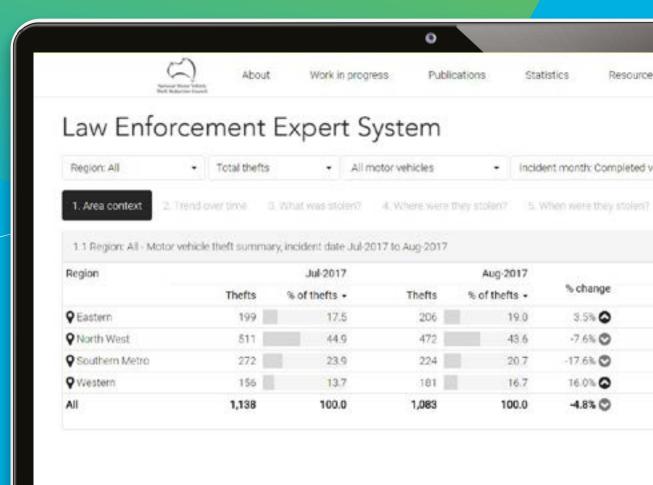
With the expert assistance of Swinburne University's Department of Psychological Sciences, the NMVTRC and Victoria Police are collaborating to identify the factors that have led to the current offending cohort's propensity for violence. Progress has been much slower than expected due to the complex ethical framework that controls access to offenders in custody and significant changes in departmental arrangements, with management of juvenile detention centres transferred from the Department of Human Services to Corrections Victoria.



5Better data utilisation

The NMVTRC's world-leading expert crime data service again provided stakeholders and the media with fast, easy access to the most up-to-date vehicle theft data available.

Law enforcement use of restricted services increased 64 per cent in the year. Total data holdings now exceed more than 572 million records from police, registration, insurance and automotive intelligence data providers.



REFORM ACTIVITY CONTINUED

Building stakeholder/community capacity and encouraging innovation

Australian Vehicle Crime Conference

In April the NMVTRC hosted the Australian Vehicle Crime Conference (AVCC) in conjunction with Victoria Police and the IAATI.

The Conference, which was proudly sponsored by RACV, brought together more than 240 representatives from policing and law enforcement, crime prevention, academia, general insurance, motor trades, local government and community sectors to review current national and local strategic and operational responses to vehicle crime.

The conference program was divided into three distinct themes of diverting young offenders, disrupting the vehicle laundering and separated parts markets and building stakeholder capacity/promoting innovation. Select presentations on the key themes and issues were complemented with expert panel sessions in which conference participants were able to pose questions to one or all of the sessional presenters. Highlights of the two-day program were presentations by:

- United Kingdom guests Paul Betts (West Midlands Police) and Oliver Little (City of London Police) on facilitating a multi-agency approach to managing young offenders and vehicle fraud;
- Amanda Bird (Australian Taxation Office (ATO)) on how the ATO can assist law enforcement agencies in vehicle crime investigations; and
- Brian Negus (RACV) on the importance of strategic alliances to deliver effective community engagement and change consumer behaviour.

The full program and most speakers' presentations can be viewed or downloaded at https://carsafe.com.au/conference.

New technology

While immobilisation has made a major contribution to reducing vehicle crime, there is now clear evidence of a shift in some offenders' methods towards residential burglaries to access the keys of 'secure vehicles'. It may be hours before such thefts are discovered by the vehicle owner and reported to police. In the intervening period the stolen vehicle may be used in other serious crimes or pose other community risks.

The year saw the NMVTRC extend its collaboration with law enforcement in select jurisdictions (via the Stolen Vehicle Rapid Response Initiative (SVRRI)) to include Victoria. In 2017/18 up to 1,000 high-risk vehicles will be protected with a free tracking device.

Using a simple smartphone app the vehicle owner can set a virtual 'geo-fence' around the vehicle with the press of a single button. If the vehicle leaves that position, the system will immediately send an email alert to the owner's nominated email address. As soon as the owner reports the theft to police they too are able to track the vehicle with the aim of safely monitoring its movements and apprehending the offenders.

Public education Helping locals get active

The NMVTRC once again teamed up with local councils in crime hot spots across Australia to reintroduce its successful Operation Bounce Back (OBB) program. Now in its twelfth year, this iteration focused on the 'Car Security Begins at Home' message and what people can do to ensure they reduce their risks of becoming a victim of vehicle theft.

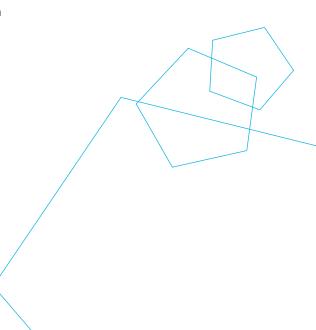
Sixteen municipalities accepted grants valued at \$15,000 to implement a vehicle crime awareness campaigns consistent with the NMVTRC's *Tackling Vehicle Theft:* A Guide for Local Communities.

Grant recipients continue to enthusiastically embrace the program, developing and executing new and innovative ways to promote vehicle theft prevention as a shared responsibility.

This year's program saw the return of several large-scale local events in the form of carnival days, safety expos and other community-based activities.

A wide range of media channels were used by participating LGAs including strong use of social media.

Eleven of the 16 participating LGAs achieved reductions greater than their respective state averages for the year.



		Thefts for the same				
	Thefts during	period 12 months				
Local government area	OBB 2016/17 FY	prior 2015/16 FY	% Change	State change		
City of Casey (Victoria)	123	302	-59%	-32%		
City of Whittlesea (Victoria)	93	169	-44%	-27%		
City of Greater Dandenong (Victoria)	76	129	-41%	-30%		
Charles Sturt (South Australia)	75	126	-40%	-13%		
City of Gosnells (Western Australia)	26	38	-31%	-4%		
Hume City Council (Victoria)	84	139	-29%	-22%		
Monash City Council (Victoria)	128	176	-27%	-22%		
Fairfield City Council (New South Wales)	61	76	-19%	-6%		
Glenorchy City Council (Tasmania)	65	72	-10%	14%		
Gold Coast City Council (Queensland)	232	251	-8%	15%		

Reimagining of Australia's most wanted

The NMVTRC also launched its re-imagined version of the previously very successful Australia's Most Wanted campaign, aimed at raising community awareness of the makes and models of vehicles most commonly targeted for short term and profit-motivated theft across the country.

The new online resource reinforces the key security message in a direct but non-threatening way. The refreshed *Australia's Most Wanted* can be viewed at https://carsafe.com.au/motorists#buying-a-used-car.

Expert data services

The NMVTRC's world-leading expert vehicle crime data service again provided stakeholders and the media with fast, easy access to the most up-to-date vehicle theft data available.

A range of further system enhancements were introduced in 2016/17 including:

- a new recovery filter enabling police using the law enforcement-only restricted service to quickly determine what, where and when vehicles were recovered;
- the release of an 'age theft profile' tool that enables users to see how the PLC age profile of thefts and registrations has changed across jurisdictions over time; and

 integration of more than 2,500 images of PLC vehicles by make, model and series into the database and online applications providing a visual selection component.

During 2016/17 there were more than 100,000 unique visits to the CAR-SAFE website. Law enforcement use of restricted services increased 64 per cent. At 30 June the CARS system held more than 572 million records of vehicle data sourced from police, registration, insurance and automotive intelligence data providers.

The year also saw substantial progress in the conduct of the first ever 'deep analyses' of vehicle crime trends in both the Australian Capital Territory and Northern Territory to help local police and community safety planners to refine their respective vehicle crime strategies. As part of the process the 'police narrative' for every theft reported over a 12-month period will be reviewed to confirm the precise circumstances.

Detailed preparations have also been made to accommodate the acceptance of number plate theft data in 2017/18.

Minimising opportunities for insurance fraud

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

Those vehicles reported as stolen that are more likely to be the subject of fraudulent claims will be those that are of higher value, insured for an agreed value (rather than market value) and subject to a financial encumbrance.

The Vehicle Information Request System established by Austroads (with assistance from vehicle manufacturers and the NMVTRC) enables insurers to validate non-personal data (including VIN, make, model, year, stolen and written-off status) direct form the national registration system as a fraud mitigation tool. The system processed more than 12 million vehicle status checks in 2016/17.

PERFORMANCE INDICATORS

Vehicle theft in comparable developed nations

Since its inception the NMVTRC has benchmarked its performance against a group of nine comparable OECD countries. This sort of comparison, while valuable, poses some difficulties due to maintaining the continuity of reporting in some countries and significant changes in counting rules and definitions over time. The model below attempts to account for differential counting rules and large variations in vehicle fleets and population sizes by indexing all participants to a common point (100) and measures performance from that point. In interpreting the results, the critical factor is therefore direction and shape of the individual line rather than the quantum of the theft 'size', i.e. is the jurisdiction tracking better or worse since the common point of indexation.5

The time lag in reporting data in other jurisdictions limits the time series for comparison to the end of the 2015 calendar year.⁶

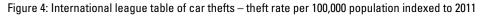
Changes in the incidence of theft for short term use and profit-motivated theft

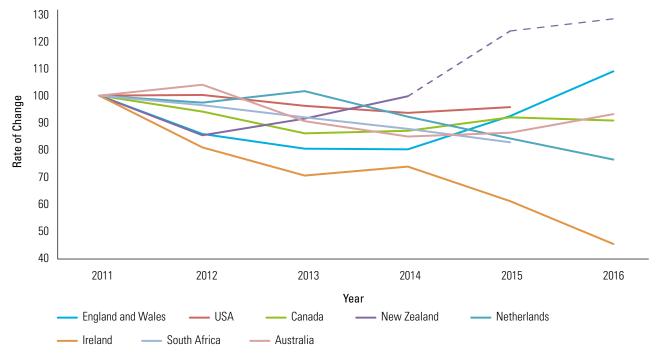
Table 1: Short term and profit-motivated thefts as a percentage of total thefts (PLCs)

	2012/13	2013/14	2014/15	2015/16	2016/17
Short term thefts %	78	76	76	79	78
Profit-motivated thefts %	22	24	24	21	22

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

(motorcycles only)	2012/13	2013/14	2014/15	2015/16	2016/17
Short term thefts %	49	47	47	48	44
Profit-motivated thefts %	51	53	53	52	56





^{5.} Australia^[1], South Africa^[2], Ireland^[3], the Netherlands^[4], New Zealand^[5], Canada^[6], the USA^[7] and UK (England and Wales)^[6].

^[1]CARS Database, ^[2]South African Police Service, ^[3]Central Statistics Office of Ireland, ^[4]Netherlands Foundation for Tackling Vehicle Crime, ^[5]New Zealand Crime Statistics, ^[6]Statistics Canada, ^[7]FBI Uniform Crime Reports, ^[6]UK Home Office.

^{6.} New Zealand data available to 2014 only.

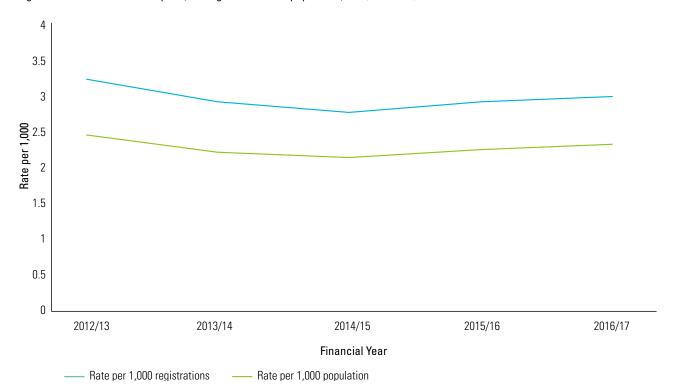


Figure 5: Motor vehicle thefts per 1,000 registrations and population, 2011/12 – 2016/17

Community perceptions of vehicle theft relative to other crime

Regular surveying of community attitudes on key vehicle crime issues enables the NMVTRC to longitudinally track changes in community perceptions and refine its communications key messages. The November 2016 survey of over 1,200 motorists indicates that:

- awareness and concern levels are generally in line with current levels of vehicle crime in individual jurisdictions;
- the motivations of offenders and vehicle targets are generally well understood;
- the vulnerability of the home and the significance of key theft is not yet fully understood; and
- although media focus is often on the most extreme cases involving violence or the threat of violence, it is not leading to community misconceptions.

The cost of motor vehicle theft

The NMVTRC estimates the cost of all vehicle theft to be \$871 million, excluding the very large community costs associated with police investigations, courts and corrections.⁷

Analysis of NMVTRC in the media

Vehicle theft remained a strong focus for the media this year, with over 2,700 related articles published. Many of these articles included data provided by the NMVTRC, with the Council being directly quoted in over 60. The NMVTRC was also featured prominently in a high number of online articles. The articles covered a wide range of issues including vehicle theft statistics, car-jacking, theft for scrap and GPS tracking technology and the NMVTRC's Car Security Begins at Home campaign.

The NMVTRC provided comment in 15 radio and television interviews on motor vehicle theft trends and issues.

One hundred per cent of the NMVTRC-related reporting was positive or balanced.

Stakeholder-determined performance indicators

A select sample of senior stakeholder executives from across Australia was asked to participate in a 20-minute phone survey conducted by Nexus Market Research in respect of their views on the NMVTRC's performance in relation to its program coordination and consultation, publications and level of influence on reforms.

^{7.} Based on an independent economic analysis conducted by MM Stars Pty Ltd for the NMVTRC (September 2017) which estimated victims' costs per incident to be \$15,900 for recovered vehicles and in the range of \$6,300 to \$18,500 for non-recoveries (depending on factors such as vehicle age, personal, injury and insurance administration costs).

PERFORMANCE INDICATORS CONTINUED

Program coordination and consultation

Ninety seven per cent of respondents rated the NMVTRC's performance positively. Scores of more than 80 per cent 'good', 'very good' or 'excellent' were reported in respect of program coordination, reform progress, and stakeholder consultation.

Stakeholders were asked to nominate those reforms promoted by the NMVTRC they were most familiar with. Spontaneous awareness was highest for the Young Offender Programs (45 per cent spontaneously expressing familiarity) followed by New Assessment Criteria for Written-off Vehicles (15 per cent unprompted), Management of End-of-Life Vehicles (6 per cent) and the Comprehensive Auto-theft Research Service (6 per cent).

When prompted with names of the reforms/ programs, 91 per cent of respondents were aware of Car Security Begins at Home and New Damage Assessment Criteria for Written-off Vehicles, followed closely by the Young Offender Programs (88 per cent). The Comprehensive Auto-theft Research Service, the use of inter-agency task forces, low cost vehicle tracking technology and the Personal Property Securities Register all generated more than 70 per cent awareness.

Stakeholders reported an overwhelmingly high level of satisfaction in regards to the NMVTRC's dissemination of vehicle theft data with 88 per cent rating the NMVTRC's performance positively.

Publications

Eighty eight per cent of respondents rated the quality of the NMVTRC's publications and statistical services positively with 91 per cent indicating that the publications met their needs well, very well or extremely well.

The NMVTRC's quarterly publications Theft Watch/Theft Torque/Theft Matters were the most recognised of the publications/resources (96 per cent), followed by the CAR-SAFE website, Strategic Plan and Annual Report, all with 93 per cent recognition.

Influence on reforms

Eighty five per cent of stakeholders considered the NMVTRC to have a positive impact on the progress of vehicle theft reforms. The progress of the reforms/ programs was significantly attributed to the work of the NMVTRC with a high number suggesting that the initiatives may not have occurred without the NMVTRC's involvement. This was largely attributed to the NMVTRC's ability to facilitate a collaborative approach across all jurisdictions. Eighty-two per cent of respondents also saw a positive impact on the implementation of vehicle theft reform within their own organisation.

FINANCIAL STATEMENTS

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STATEMENT BY MEMBERS OF THE COMMITTEE

FOR THE YEAR ENDED 30 JUNE 2017

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

- 1. Presents fairly the financial position of National Motor Vehicle Theft Reduction Council Inc as at 30 June 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- 2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

The Committee is responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

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

David MorganMurray ChapmanChairmanCommittee Member

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

		2017	2016
	Note	\$	\$
Revenue	2		
Gross revenue		1,943,725	1,266,531
		1,943,725	1,266,531
Depreciation		-	(7,906)
Accounting fees		(8,164)	(6,128)
Auditor's remuneration		(5,305)	(5,305)
Expert data systems		(475,288)	(475,909)
Communications		(150,166)	(103,071)
Sitting fee		(30,000)	(30,000)
Employee benefits		(616,552)	(494,980)
Disrupt separated parts markets		-	(861)
Disrupt vehicle laundering markets		(26,354)	(5,000)
Diverting young offenders		(22,778)	(13,636)
Stakeholder and community capacity		(334,774)	(205,246)
Other expenses		(118,574)	(94,974)
Profit (deficit) before income tax		155,770	(176,483)
Income tax (credit) expense		-	-
Surplus (deficit) for the year		155,770	(176,483)

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

		2017	2016
	Note	\$	\$
Assets			
Current assets	4	1,064,147	880,188
Cash assets	5	980	-
Current tax assets		40,775	22,542
Other	6	20,062	24,754
Total current assets		1,125,964	927,484
Liabilities		1,125,964	927,484
Current liabilities			
Payables	8	19,962	5,026
Provisions	9	292,007	264,232
Total current liabilities		311,968	269,258
Total liabilities		311,968	269,258
Net assets		813,995	658,226
Equity			
Retained profits		813,995	658,226
Total members' funds		813,995	658,226

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Cash flow from operating activities		
Receipts from grants	1,930,261	1,246,500
Payments to suppliers and employees	(1,758,786)	(1,389,709
Interest received	12,483	20,031
Net cash provided by (used in) operating activities (Note 2)	183,959	(123,178
Cash flow from investing activities		
Payment for:		
Payments for property, plant and equipment	-	(2,035
Net cash provided by (used in) investing activities	-	(2,035
Net increase (decrease) in cash held	183,959	(125,214
Cash at the beginning of the year	880,188	1,005,40
Cash at the end of the year (Note 1)	1,064,147	880,188
Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows: Cash at bank	25,493	28,982
CBA cash management account	1,038,446	850,990
Petty cash on hand	208	216
	1,064,147	880,188
Note 2. Reconciliation of net cash provided by/used in operating activities to operating surplus		
after income tax		
Operating profit (loss) after tax		
Depreciation		
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:	(222)	
(Increase) decrease in trade and term debtors	(980)	
(Increase) decrease in prepayments	4,692	35,107
Increase (decrease) in trade creditors and accruals	14,616	(10,29
Increase (decrease) in other creditors	320	21
Increase (decrease) in employee entitlements	27,774	(3,72
Increase (decrease) in sundry provisions	(18,233)	24,106
Net cash provided by operating activities	183,959	(123,178

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of significant accounting policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act 2012 (VIC) Reform.

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

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

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

Income tax

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

Non-member income of the association is only assessable for tax, as member income is excluded under the principle of mutuality.

Property, plant and equipment

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

a) Plant and equipment

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

b) Depreciation

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

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

Class of assetDepreciation rateLeasehold improvementsPeriod of leaseOffice equipment3 yearsComputer equipment3 yearsFurniture and fittings3 years

Employee entitlements

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

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

Cash

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

Comparative figures

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

Revenue

Revenue is recognised when the right to receive the revenue has been established. Interest revenue is recognised when received. All revenue is stated net of the amount of goods and services tax (GST).

	=-::	
	\$	\$
Note 2: Revenue and other income		
Revenue:		
Interest revenue	12,483	20,031
Grants received	1,838,250	1,246,500
Other income	92,991	-
	1,943,725	1,266,531
Note 3: Profit from ordinary activities		
Profit (loss) from ordinary activities before income tax has been determined after:		
Charging as expense:		
Depreciation of non-current assets:		
Other	-	7,906
Total depreciation expenses	-	7,906
Note 4: Cash assets		
Bank accounts:		
Cash at bank	25,493	28,982
CBA cash management account	1,038,446	850,990
Other cash items:		
Petty cash on hand	208	216
	1,064,147	880,188
Note 5: Receivables		
Trade debtors	980	-
	980	-
Note 6: Other assets		
Current		
Prepayments	19,462	24,154
Other	600	600
	20,062	24,754

The accompanying notes form part of these financial statements.

2017

2016

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
Note 7: Property, plant and equipment		
Plant and equipment:		
At cost	142,647	142,647
Less: Accumulated depreciation	(142,647)	(142,647)
	-	-
Leased plant and equipment:		
At cost	30,668	30,668
Less: Accumulated amortisation	(30,668)	(30,668)
	-	-
	-	-
Note 8: Payables		
Unsecured:		
Trade creditors	19,430	4,815
Other creditors	532	211
	19,962	5,026
Note 9: Provisions		
Current		
Employee entitlements*	292,007	264,232
	292,007	264,232
* Aggregate employee entitlements liability	292,007	264,232

There were four employees at the end of the year.

Note 10: Key management personnel compensation

The totals of remuneration paid to key management personnel (KMP) of the association during the year are as follows:

There were two Committee members whose income was within the band \$20,000 to \$200,000

Note 11: Superannuation commitments

The entity provides choice of superannuation fund to provide benefits to employees on retirement, death or disability. The entity contributes 9.5 per cent of gross salary package as an employer contributions. Employees can salary sacrifice additional amounts to superannuation.

Note 12: Auditors' remuneration

Remuneration of the auditor of the Company for:

Auditing or reviewing the financial report	5,305	5,305
Other services	-	-
	5.305	5.305

Note 13: Contingent liabilities

There are no contingent liabilities.

Note 14: Events subsequent to reporting date

INDEPENDENT AUDIT REPORT

NATIONAL MOTOR VEHICLE THEFT REDUCTION COUNCIL INCORPORATED ABN 45 859 804 389 INDEPENDENT AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2017

Scope

I have audited the accompanying financial report, being a special purpose financial report of National Motor Vehicle Theft Reduction Council for the period ended 30 June 2017 being the Statement of Financial Performance, Statement of financial Position, Statement of Cash Flows and Notes to the Financial Statements. The Committee is responsible for the financial report and has determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 Victoria and the needs of the members, I have conducted an independent audit of this financial report in order to express an opinion on it to the members of National Motor Vehicle Theft Reduction Council Incorporated. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Reform Act 2012 Victoria. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

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

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of National Motor Vehicle Theft Reduction Council for the year ended 30 June 2017 and the results of its operations for the period then ended.

Emphasis of Matter

Without modifying my opinion, I draw attention to Note I to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the Associations Incorporation Reform Act 2012 Victoria. As a result, the financial report may not be suitable for another purpose.

Dated this

October 2017.

Geoffrey B. Johnson Chartered Accountant Rucker Financial

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12/602 Whitehorse Road, Mitcham, Vic, 3132

COMPILATION REPORT

NATIONAL MOTOR VEHICLE THEFT REDUCTION COUNCIL INCORPORATED COMPILATION REPORT TO NATIONAL MOTOR VEHICLE THEFT REDUCTION COUNCIL INCORPORATED

We have compiled the accompanying general purpose financial statements of National Motor Vehicle Theft Reduction Council Inc, which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Position as at 30 June 2017, a summary of significant accounting policies and other explanatory notes. These have been prepared in accordance with the financial reporting framework described in Note 1 to the financial statements.

The Responsibility of the Committee of Management

The committee of management is solely responsible for the information contained in the general purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

On the basis of information provided by the committee of management, we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with Australian Accounting Standards. We have complied with the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The general purpose financial statements were compiled for the benefit of the committee of management who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the general purpose financial statements.

Elizabeth A Clifford

ONE ON ONE ACCOUNTANTS PTY LTD

PO Box 17 Seaford VIC

Etd.A.S.

1 September, 2017

APPENDICES

$Australia-short\ term\ theft\ snap\ shot,\ 2016/17$

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Australia
PLCs	805	7,491	869	7,176	2,034	966	12,041	4,565	35,947
Change from 2015/16	152	265	91	1,710	84	142	33	-364	2,113
% change adjusted for late recoveries	*	4%	*	31%	4%	*	0%	-7%	6%
Motorcycles	51	721	72	728	272	52	804	1,001	3,701
Change from 2015/16	9	74	-11	46	-26	-13	-68	-279	-268
% change adjusted for late recoveries	*	11%	*	7%	-9%	*	-8%	-22%	-7%
Heavy/Other vehicles	13	275	21	305	43	16	352	242	1,267
Change from 2015/16	1	-50	7	53	15	-2	-3	-27	-6
% change adjusted for late recoveries	*	-15%	*	21%	54%	*	-1%	-10%	-1%
Total theft	869	8,487	962	8,209	2,349	1,034	13,197	5,808	40,915
Change from 2015/16	162	289	87	1,809	73	127	-38	-670	1,839
% change adjusted for late recoveries	*	4%	*	28%	3%	*	0%	-10%	5%

Australia – profit-motivated theft snap shot, 2016/17

	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Australia
PLCs	163	2,671	84	1,612	594	192	3,338	1,065	9,719
Change from 2015/16	30	-52	-2	36	79	66	232	102	491
% change adjusted for late recoveries	*	-2%	*	2%	15%	*	7%	11%	5%
Motorcycles	55	839	52	799	275	57	1,363	915	4,355
Change from 2015/16	-14	109	-6	34	-11	4	-66	-32	18
% change adjusted for late recoveries	*	15%	*	4%	-4%	*	-5%	-3%	0%
Heavy/Other vehicles	8	196	7	249	36	35	332	332	1,195
Change from 2015/16	3	-82	4	34	-13	0	47	-39	-46
% change adjusted for late recoveries	*	-29%	*	16%	-27%	*	16%	-11%	-4%
Total theft	226	3,706	143	2,660	905	284	5,033	2,312	15,269
Change from 2015/16	19	-25	-4	104	55	70	213	31	463
% change adjusted for late recoveries	9%	-1%	*	4%	6%	*	4%	1%	3%

^{*} Percentages are not given for small jurisdictions as they can be misrepresentative of minor baseline changes.

