

Better collaboration through unification

An initiative of Australian
governments and the
insurance industry

Annual Report 2019



National Motor Vehicle
Theft Reduction
Council



National Motor Vehicle
Theft Reduction
Council

31 October 2019

Ministers responsible for NMVTRC business

The Hon. Ben Carroll MP

The Hon. David Elliott MP

The Hon. Nicole Manison MLA

The Hon. Shane Rattenbury MLA

The Hon. Michelle Roberts MLA

The Hon. Mark Ryan MP

The Hon. Mark Shelton MP

The Hon. Corey Wingard MP

Insurance Council of Australia President

Mr Richard Enthoven

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 2019.

Yours sincerely,

David M Morgan (AO)
Chairman

Our vision

To contribute to Australia's economic and social well-being by achieving the lowest rate of motor vehicle theft in the developed world.

Our 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.

Our operating philosophy

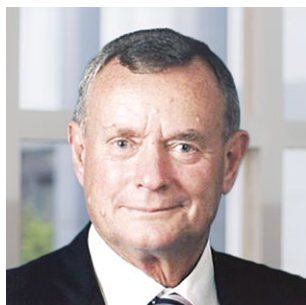
The NMVTRC is committed to developing common goals with stakeholders through the promotion of the economic and social benefits of reduced vehicle theft. Its credibility will be judged by the quality of its proposals for change.

Communication, consultation and negotiation are the hallmarks of the NMVTRC's operating philosophy, which underpins all its activities.

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Chairman and Chief Executive's Report



David M Morgan (AO)
Chairman



Geoff Hughes
Chief Executive

Vehicle theft rose by 5 per cent for the year on the back of rises across all three vehicle classes. Despite this, the nation's theft total of 55,300 incidents remains 11 per cent lower than a decade ago, and more than 60 per cent lower than its peak in 2001.

The theft landscape continues to change and presents significant new challenges that were not present even five years ago. Vehicle crime in 2019 is increasingly not just a single crime, but is at the centre of a more complex mix of offending that may also involve significant road safety risks, other crimes against a person, subsequent property crimes and a wide variety of fraudulent activity in respect of personal identity, finance and staged collisions.

The continuing difficult economic and social conditions require a sustained level of commitment from both the NMVTRC and its stakeholders.

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

- prevalence of residential burglaries to access the keys of 'secure' vehicles with three in four stolen cars taken from the home or from the street outside;
- ancillary use of stolen cars in facilitating a range of other crimes; and
- 9,800 cars that appeared to simply vanish altogether from our roads in the year – the surrogate indicator of the level of organised criminal activity seeking to convert stolen vehicles into cash.

In response, the NMVTRC's new Strategic Plan released in September redoubles our efforts to find new, innovative solutions to these crucial issues.

Despite the challenging environment, the year saw good advances in many areas of the NMVTRC's work program. Highlights included the:

- enthusiasm with which Western Australian-based stakeholders have embraced the NMVTRC's call for reform of the state's scrap metal trade to bring it into line with recent reforms in New South Wales and Victoria to, among other things prohibit cash payments and trading in vehicles with no (or obscured) identity;
- Commonwealth's Parliamentary Joint Committee on Law Enforcement supporting our call to expressly add stolen vehicles and parts to the list of prohibited exports;
- further progress towards the national implementation of consistent arrangements for the management of heavy vehicle write-offs to mitigate theft risks and improve road safety;
- continued strong performance of our collaboration with Mission Australia and the Suncorp Group in the Synergy Auto Repairs social enterprise, which celebrated its fifth year of operation having repaired more than 3,000 customer cars and placed more than 50 young trainees in trade apprenticeships since inception; and
- sustained success of our partnerships with local government to deliver community awareness programs in theft hotspots – with the best performing municipalities achieving local theft reductions of between 6 and 27 per cent.

The year also saw the NMVTRC, Victoria Police and forensic psychology experts from Swinburne University conclude the first qualitative study of young people serving a custodial sentence for a violent vehicle crime incident. The resulting report (which is classified as confidential as an interim measure) provides valuable insights as to what drives violent offending and will be of interest to a wide cross-section of service planners across the justice, education and health sectors.



The NMVTRC's highly valued expert data services continued to evolve in 2019, with the use of our restricted law enforcement only services increasing by more than 30 per cent.

Pleasingly, our key performance measures continue to show high levels of stakeholder satisfaction, with all survey respondents rating the organisation's performance as good or better, and 71 per cent as very good or excellent.

Perhaps most significantly, the year also saw the NMVTRC collaboration return to full national engagement with the Queensland Government rejoining the partnership for the first time since 2012.

The year also saw some key changes in the membership of the Council with James Hurnall (Federal Chamber of Automotive Industries (FCAI)) and Andrew Lee (Austroads) leaving their respective organisations. The Council welcomed experienced Mitsubishi Motors' Executive Ashley Sanders as James' successor. Our thanks to James, Ashley and the FCAI for ensuring a smooth transition. At the time of writing the Austroads position is yet to be filled.

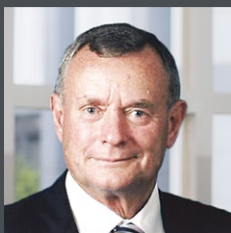
In 2020 – our 21st year of operation – the NMVTRC Board and its Executive look forward to once again demonstrating the power of unified, national collaboration to continue to drive reform and reduce the impact of vehicle crime on the Australian community.

David M Morgan (AO)
Chairman

Geoff Hughes
Chief Executive

Our Council Members

As at 30 June 2019



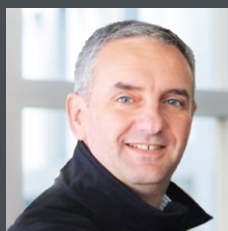
David Morgan (AO)
Independent Chair



Karl Sullivan
Insurance Council
of Australia



Mark Borlace
Royal Automobile
Association SA
(Australian Automobile
Association)



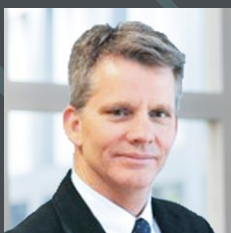
Rob Bartlett
Suncorp Group
(Insurance Council
of Australia)



Robert Hill APM
Victoria Police (Lead
Ministers for NMVTRC
Business)



Andrew Lee
Department of
Transport WA
(Austroads)
(Resigned July 2019)



James Hurnall
Federal Chamber of
Automotive Industries
(Resigned July 2019)



Geoff Gwilym
VACC (Motor Trades
Association of Australia)

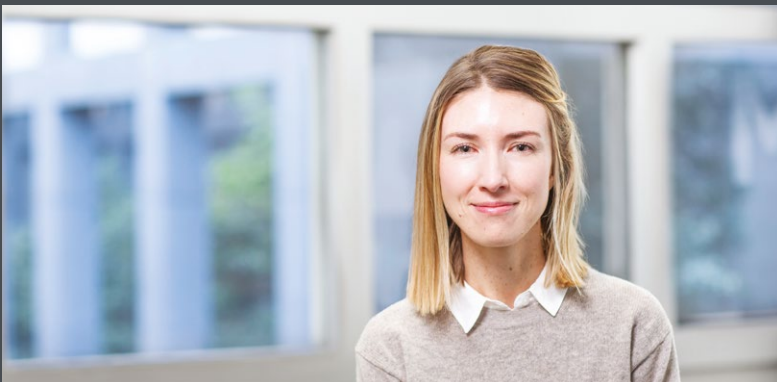


Ashley Sanders
Federal Chamber of
Automotive Industries
(Appointed September 2019)

Our People



Geoff Hughes
Chief Executive



Christine Pejic
Program Manager



Caitlin Hrambanis
Projects and
Communications
Coordinator



Danielle Meagher
Accounts and Office
Administrator

Reform Activity



01. Disrupting separated parts markets



03. Diverting young offenders



02. Disrupting vehicle laundering markets

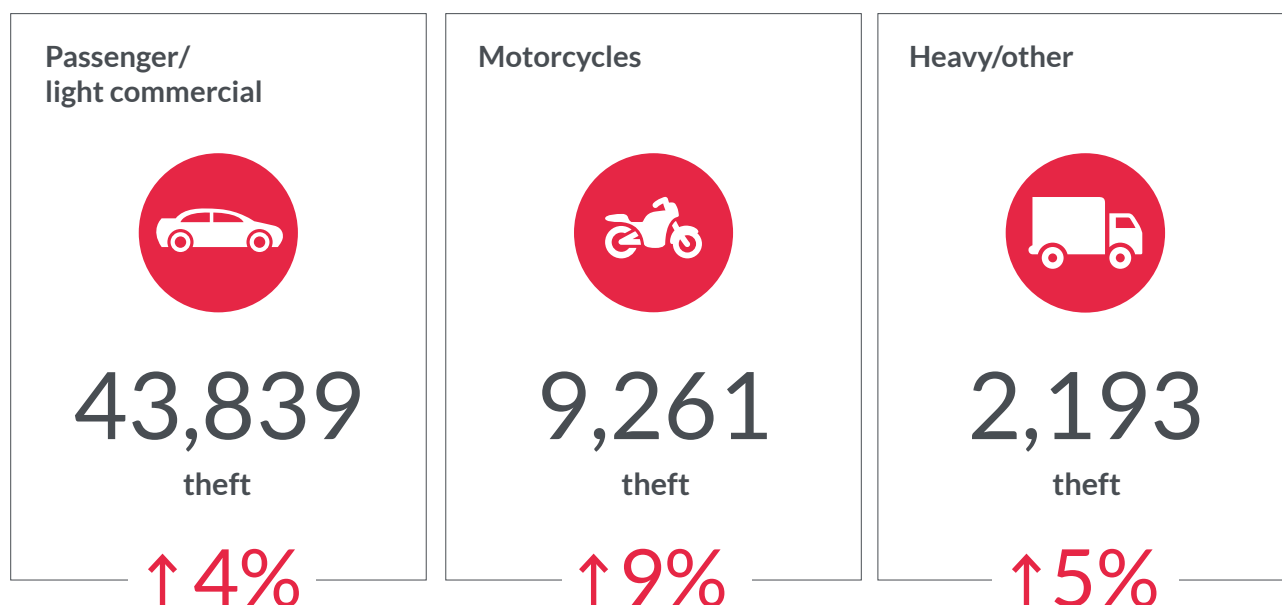


04. Capacity building and innovation



05. Better data utilisation

Motor Vehicle Theft in Australia 2018/19



A total of 55,293 motor vehicles were stolen nationally in 2018/19. This represents a 5 per cent increase over the previous year. Passenger/light commercial (PLC) vehicle thefts increased by 4 per cent to a total of 43,839. Short-term PLC thefts increased by 1 per cent, with profit-motivated thefts rising by 15 per cent.

Short-term theft

Total short-term theft, adjusted for late recoveries, increased by 845 (2 per cent) to 39,726 vehicles, comprising 86 per cent PLCs, 11 per cent motorcycles and 3 per cent heavy/other vehicle types.

PLC theft analysis

Of the 43,839 PLC thefts an estimated 34,052 are likely to be recovered based on historical late recovery trends. Of the 33,648 recovered at the time of this report:

- 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.

The proportion of immobilised vehicles stolen for short term use continues to rise, with 83 per cent of PLCs stolen fitted with an Australian Standards Equivalent (ASE)¹ immobiliser. Another 2 per cent were fitted with a non-ASE immobiliser. This is indicative of the rising number of vehicles being stolen with their own keys.

Small cars now make up the greatest proportion of vehicles on Australia roads and this is also reflected in the theft numbers. Twenty-eight per cent of thefts were small passenger cars, followed by SUVs (22 per cent).

Despite this, the most popular theft target was the Holden Commodore VE (MY06-13) with 726 thefts (a slight increase from the 719 thefts in 2017/18 FY). Next was the Nissan Pulsar N15 (MY95-00) with 571 thefts (a 14 per cent reduction) followed by the Toyota Hilux (MY05-11) with 496 thefts (a 14 per cent increase).

As a group, light commercial utilities made up 19 per cent of all short-term thefts.

Motorcycle theft analysis

Short-term motorcycle thefts increased by 137 thefts (3 per cent) bringing the 2018/19 total to 4,288 and delivering a 12 per cent increase over five years. Where the motorcycle body type and year of manufacture was known:

- one in six (18 per cent) motorcycles stolen were unregistered/off-road bikes;
- on-road scooters made up 24 per cent of all motorcycle thefts, followed by on-road sports bikes (19 per cent);

1. 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 Australian Standards.

Motor Vehicle Theft in Australia 2018/19 Continued

- over 80 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 theft targets with 956 and 646 thefts respectively.

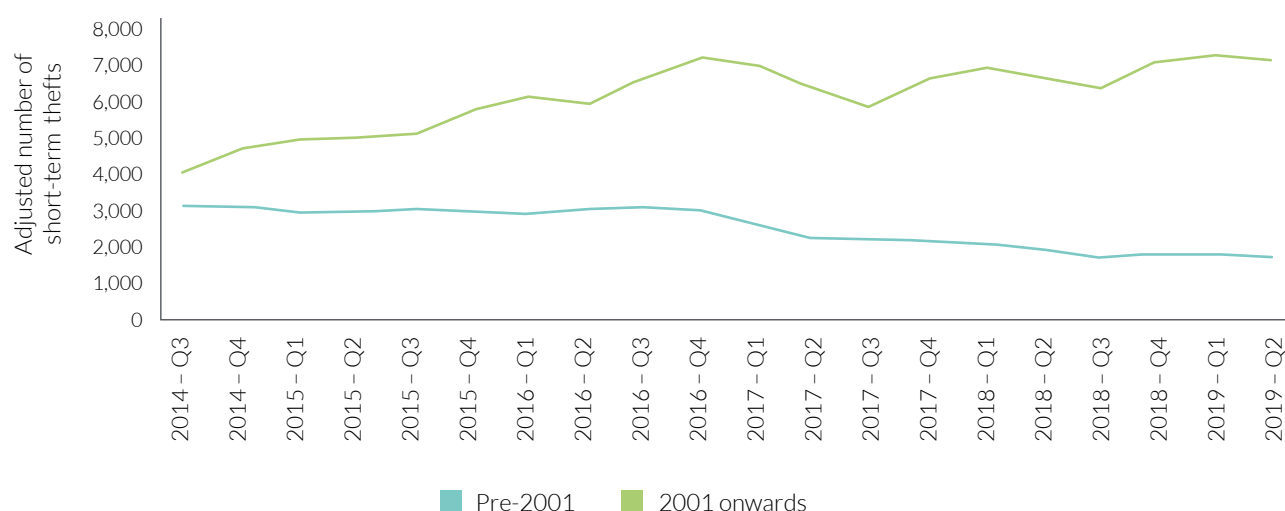
Five-year trends

Short-term PLC theft was up 12 per cent from 2014/15, when 30,112 vehicles were stolen. Motorcycle theft also increased by 12 per cent over this period. In contrast, theft of other vehicles was down 7 per cent.

The age distribution of short-term PLC thefts over the past five years has clearly been changing. As figure 1 below shows, the end of 2014 marked a clear shift in the theft dynamic, which saw vehicles manufactured from 2001 onwards taking over as the top theft targets.

In 2014/15, 69 per cent of PLCs stolen and recovered were fitted with an ASE immobiliser. The increase to 83 per cent over the past five years echoes the improved 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.

Figure 1: Passenger/light commercial vehicles – adjusted short-term thefts by quarter, 2014/15 - 2018/19



Profit-motivated theft

When adjusted for late recoveries total profit-motivated theft increased by 13 per cent, bringing the 2018/19 total to 15,567. PLC theft made up the majority of this up 15 per cent. Profit-motivated motorcycle theft also saw an increase of 443 thefts (10 per cent). The vehicle mix consisted of 63 per cent PLCs, 31 per cent motorcycles and 6 per cent other vehicles.

PLC theft analysis

At the time of this report a total of 10,191 PLC thefts are yet to be recovered. However, allowing for expected late recoveries based on historical trends, the true figure is likely to be 9,800. Of these the age distribution was:

- 15 per cent less than six years old;
- 19 per cent between six and 10 years old; and
- 64 per cent more than 10 years old.

The 16+ year age group made up the single highest proportion (38 per cent).

Seventy-seven per cent of PLC vehicles stolen for profit were fitted with an ASE immobiliser; a slight increase from the previous year (75 per cent). Twenty per cent were not fitted with any type of immobiliser.

Light commercial utility vehicles were the most popular target of profit-motivated theft, making up 22 per cent of vehicles stolen. Small passenger vehicles were the second most commonly targeted group at 21 per cent.

At the vehicle model level, the top PMT targets for the year were the:

- Holden Commodore VE (MY06-13) with 285 thefts;
- Toyota Hilux (MY05-11) with 181 thefts; and
- Holden Commodore VY (MY02-04) with 145 thefts.

Motorcycle theft analysis

When adjusted for late recoveries profit-motivated motorcycle theft increased by 10 per cent. The 4,769 thefts represent 31 per cent of all vehicles stolen and not recovered. Where the motorcycle body type was known:

- the largest proportion of profit-motivated motorcycle thefts were on-road scooters (14 per cent), off-road sports bikes (12 per cent) and on-road sports bikes (11 per cent);
- like short-term thefts Honda (1,049 thefts) and Yamaha (935 thefts) are the most commonly targeted for profit.

Just over half of all motorcycles stolen for profit were on-road bikes. This is a significant variation from those stolen for short term use where a much larger proportion (three in four or 77 per cent) are on-road bikes.

Five-year trends

Over the last five years, profit-motivated theft has increased by 7 per cent. Profit-motivated motorcycle and PLC thefts increased by 17 per cent and 7 per cent respectively from 2014/15. Other vehicle theft decreased by 27 per cent over the same period.

As shown in figure 2, the age profile for profit-motivated PLC thefts reveals vehicles 16 years old or more continue to make up the greatest proportion of vehicles stolen not recovered. This is also evident in figure 3 where PLCs valued at less than \$5,000 continue to make up the largest proportion of profit-motivated theft (45 per cent) indicating the targeting of older vehicles for their scrap metal value (figure 3).

Over the last five years there has been a shift in profit-motivated theft towards small passenger vehicles (up from 19 per cent in 2014/15 to 21 per cent in 2018/19), and SUVs (up from 14 to 20 per cent). Conversely, the theft of large passenger vehicles has reduced from 23 to 18 per cent.

Figure 2: Passenger/light commercial vehicles – percentage of profit-motivated thefts by vehicle age group, 2014/15 and 2018/19

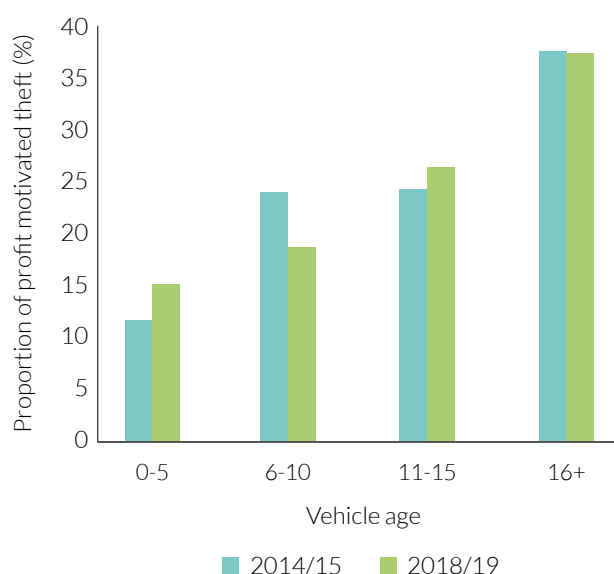
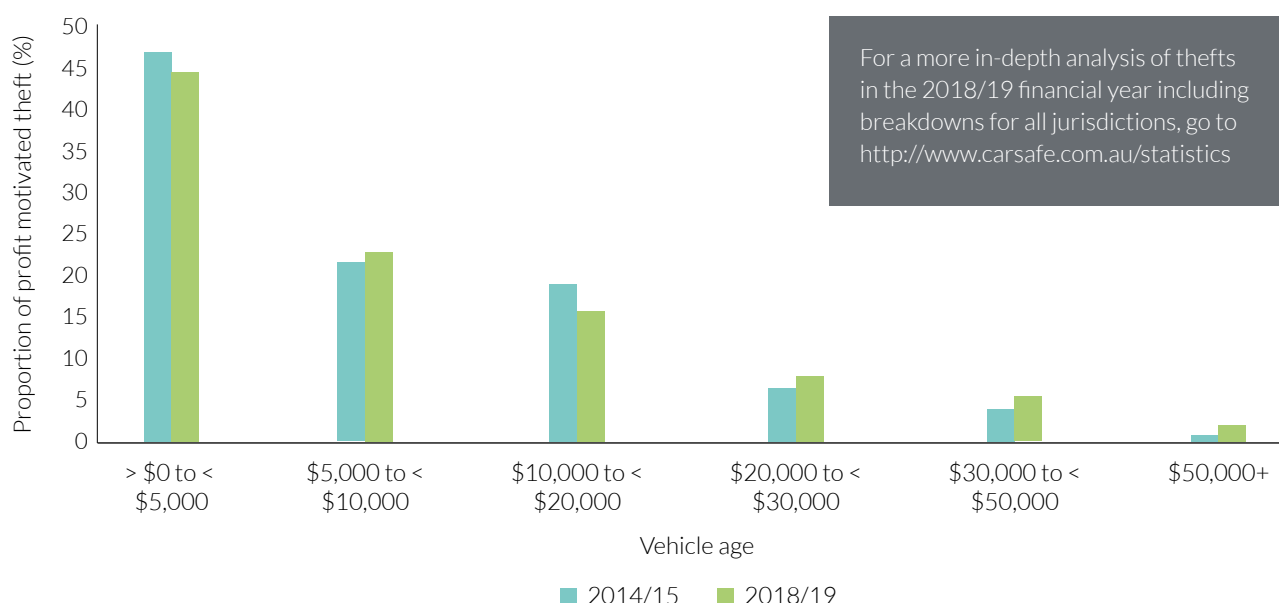


Figure 3: Passenger/light commercial vehicles – percentage of profit-motivated thefts by Glass's Guide value estimate, 2014/15 and 2018/19





01. Disrupting separated parts markets

Reform of the scrap metal market

The prevailing vehicle age profile of profit-motivated thefts indicates that theft for scrap (including dismantling for parts) could account for half of all profit-motivated thefts. The NMVTRC established an expert reference group in Western Australia to consider options for legislative reform and develop formal proposals to government to remove ambiguities and gaps and deal more effectively with enduring non-compliance.



Reform Activity

Disrupting separated parts markets

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

Reform of scrap metal sector

The prevailing vehicle age profile of profit-motivated thefts indicates that theft for scrap (including dismantling for parts) could account for half of all profit-motivated thefts and highlights the vulnerability of the prevailing end-of-life vehicle (ELV) practices to manipulation by profit-motivated thieves.

Industry sources continue to report that demand for vehicles for metal recycling and the export of whole and partial vehicles continues to grow, and that legitimate industry participants are finding it increasingly difficult to compete against rogue operators who have no outward appearance of compliance with regulatory requirements and established industry standards.

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, in 2016 the New South Wales (NSW) Government introduced Australian-first crime prevention laws aimed at curbing the illicit trade in scrap metal. The *Scrap Metal Industry Act 2016* 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.

Following this, in 2018 the Victorian Government amended its second-hand dealing laws to adopt key elements of the NSW approach, including banning cash payments and trading in de-identified vehicles.

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. In addition to vehicle theft implications, theft of scrap metal results in significant losses for utility providers in respect of copper thefts from electricity and water networks.

The NMVTRC engaged a regulatory design expert to analyse options for the reform of the separated parts and scrap metal markets in Western Australia (WA) based on the principles of the NSW *Scrap Metal Industry Act 2016* to:

- ban cash transactions;
- prohibit the trading in vehicles with no or obscured identity;

- introduce broad powers of police entry without a warrant; and
- provide for flexible penalties for non-compliance including provision for short-term and long-term closure orders.

The report posed two options including augmenting existing consumer protection laws with provisions directed to reducing criminal activity (the consumer model), or introducing a new, stand-alone Act based on the NSW law (the crime prevention model).

The NMVTRC established an expert reference group (ERG) with local industry and government representatives to assist in the development of a formal proposal to the WA Government. The ERG overwhelmingly endorsed the crime prevention model based on its relative simplicity and its capacity to also combat the significant losses suffered by utility providers in respect of copper thefts from electricity and water networks.

The NMVTRC is currently in the process of commissioning an independent assessment of the estimated costs and benefits that can form the basis of a full regulatory impact statement for presentation to the government by early 2020. A similar collaborative process will commence in South Australia in late 2019.

Prohibiting the export of stolen vehicles and parts

In Australia, profit-motivated theft represents approximately one in five thefts, and seven in 10 of these thefts are of low-value vehicles worth less than \$10,000. The NMVTRC estimates that vehicles stolen for parts export could account for up to four in 10 profit-motivated thefts.

In February, the NMVTRC appeared before the Commonwealth Parliamentary Joint Committee on Law Enforcement on the matter of theft and export of motor vehicles and parts in Australia. In its final report, the Committee supported our call for stolen vehicles to be expressly added to the prohibited exports list to assist in curtailing theft for scrap and export. It was in fact the Committee's principal recommendation. The addition of stolen vehicles to the prohibited export list would bring with it sanctions up to \$525,000 per offence and up to 10 years' jail.

The NMVTRC will continue to advocate for the reform of the Customs Act in the recommended terms.

The Committee also called on the Australian Border Force to work with state and territory law enforcement agencies and the NMVTRC to develop a specific counter-export strategy.



02. Disrupting vehicle laundering markets

Personal Property Securities Register (PPSR)

The PPSR is the national one-stop-shop for vehicle encumbrance, stolen and written-off status for consumers and the motor trades. In 2018/19, the PPSR processed more than 9 million registration status checks.

The NMVTRC has long been a leading advocate for improving consumer and motor trades' access to non-personal vehicle status information, leading us to develop an animated video to be disseminated via social media channels and through stakeholder organisations as a low-cost opportunity to generate awareness of the PPSR.



Australian Government
Australian Financial Security Authority



Personal Property
Securities Register

Buying a used car? Check before you buy. Is that used car...



...free from debt?



...reported written-off?



...on the Takata airbag recall list?



...reported stolen?

Australian Government basic \$2 PPSR check at www.ppsr.GOV.au

Reform Activity continued

Disrupting vehicle laundering markets

Refine management of written-off vehicles (WOV)

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.

In May 2017, the Transport and Infrastructure Council (TIC) agreed to implement a Heavy Vehicle Written-off Vehicle Register to improve vehicle safety and mitigate theft risks.

In August 2018, Austroads and the NMVTRC jointly published a technical guide, *Damage Assessment Criteria for the Classification of Heavy Statutory Write-Offs*, which is the central element of the scheme. The guide is designed to assist insurance personnel and other notifiers who are required to classify heavy vehicle write-offs for regulatory purposes with the classification task.

The new criteria require a local law change to adopt them and there are several pre-implementation tasks that each jurisdiction will need to undertake in order to achieve a seamless, national system. The NMVTRC is supporting the Department of Transport WA (DoT WA), which is leading the coordination of implementation tasks on behalf of Austroads. An implementation reference group (IRG) has been established to confirm required tasks and develop a coordinated approach. It is hoped this approach can minimise the implementation window to two years.

The NMVTRC is also working with DoT WA to investigate the feasibility of an online repair diary portal to support the management of repairable write-offs by road agencies, and to improve the quality of point of sale information provided at auction to ensure the purchaser of an RWO is fully informed of the prerequisites for re-registration.

Personal Properties 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.

In 2018/19, the NMVTRC developed an animated video to be disseminated via social media channels and through stakeholder organisations as a low-cost opportunity to further promote the PPSR. The NMVTRC would also like to see all Australian motoring clubs do more to promote the basic PPSR check to their members. A basic enquiry costs just \$2.

In 2018/19, the PPSR processed more than 9 million registration status checks.

Secure compliance labels

The year also saw close to 600,000 new vehicles sold in Australia bearing a compliance label that complies 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 6.3 million.

Whole of vehicle marking

A further 34,000 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 540,000 vehicles sold in Australia since 2009 have had the NMVTRC-endorsed system fitted as standard equipment.



03. Diverting young offenders

Synergy Auto Repairs

The Synergy Auto Repairs social enterprise celebrated its fifth anniversary this year. The initiative aims to divert young people with a history of car crime away from the criminal justice system by equipping them with the training and life skills to turn their lives around. Since its establishment, Synergy has effected more than 3,000 customer repairs and placed more than 50 participants in trade apprenticeships.



Reform Activity continued

Diverting young offenders

Sustainable best practice interventions for recidivist offenders

Synergy Auto Repairs (Social Enterprise) for young recidivist offenders

On any day there are around 1,500 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 reoffending 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 more than 60 theft-related fatalities across Australia in the past five years. Half of those deaths were young people between the ages of 10 and 21. Most resulted from a combination of excess speed, drugs and alcohol. Five were associated with an active police pursuit.

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 Auto Repairs. Synergy is a unique partnership between Mission Australia (MA), the Suncorp Group (SG) 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 meet the same quality standards of other Suncorp repairers.

Synergy Melbourne continues to operate at a high level in respect of therapeutic outcomes and celebrated its fifth anniversary at a special event in July, attended by Victoria’s Minister for Crime Prevention and Youth Justice, the Hon. Ben Carroll MP.

The Melbourne enterprise has now repaired more than 3,000 customer repairs and placed more than 50 participants in trade apprenticeships.

In 2018/19, the NMVTRC commenced discussions with government in respect of possible procurement options for replication of the Synergy Repairs model in South Australia and Queensland. It is anticipated that in both locations a co-design procurement process could commence in FY2020.

The NMVTRC has held discussions with MA about development of a business plan for multi-state replication and a workshop with all interested parties to co-ordinate related tasks.

Insights into contemporary young offender behaviour

There has been a quantum shift in young offender behaviour, with residential burglaries in order to access keys the new norm. While overall youth crime is reducing, recidivist offending is on the rise with a small number of offenders responsible for a large proportion of vehicle theft. There has also been an increase in the use of violence in a small proportion of in-home and on-road incidents.

With the expert assistance of Swinburne University’s (SU) Department of Psychological Sciences, the NMVTRC and Victoria Police concluded their research to identify the factors that have led to some young people’s use of violence in a series of home burglaries and on-road ‘car-jackings’ in Victoria.

The research represents the first qualitative study of a sample of 15 Victorian young people who were serving a custodial sentence in a youth justice facility for violent motor vehicle offences. It aims to understand young people’s backgrounds and motivations for engaging in violent motor vehicle theft and also sought participants’ perspectives on interventions that may have prevented them or others from engaging in related activity.

The final report is yet to be released; however, preliminary findings highlight the range of factors that lead the young people to commit violent motor vehicle theft. Difficulties in early family life was a consistent theme amongst participants, including early childhood trauma, exposure to family violence and/or drug use and a lack of stability in home life leading to homelessness. Disengagement from school and high-level drug use were key factors in young people’s trajectory to car crime, as a need for a sense of belonging pushed them further into criminal associations.



04. Capacity building and innovation

Operation Bounce Back

Operation Bounce Back (OBB) represents the NMVTRC's commitment to tackling vehicle crime through collaboration. Working with local government in vehicle theft hotspots across Australia, the program promotes awareness of vehicle security issues and equips motorists with simple steps they can take to reduce their risk. Now in its 14th year, the program is focused on delivering innovative community education projects to prevent car key theft via residential burglary.



Reform Activity continued

Motivations for committing theft were varied, but often started out with a simple need for shelter. In all cases the use of violence was not premeditated, but a result of feeling trapped or threatened. It was also intrinsically linked with illicit drug use.

The report provides a first-time, valuable insight into the drivers of violent motor vehicle crime among young people. Its outcomes will be of potential interest to a range of parties across the justice portfolio including police, crime prevention, youth justice and corrections. The report also makes observations relevant to education and health system administrators.

The NMVTRC is currently seeking to brief senior government officials on the report prior to its general release.

Building stakeholder/community capacity and encouraging innovation

Public education

Helping the community safeguard their homes and keys

Operation Bounce Back (OBB) is the NMVTRC's public education-based program, which aims to harness the efforts of local government and police to raise community awareness of vehicle theft and effective prevention measures in theft 'hotspots' nationally.

Now in its 14th year, this iteration focused on the '*Car Security Begins at Home*' theme, with grants valued at \$15,000 given to participants to implement a crime prevention campaign consistent with the NMVTRC's *Tackling Vehicle Theft: A Guide for Local Communities*.

Grants were offered to 20 local government areas (LGA), which were deemed as the top-ranking theft hot spots across the nation.

In Victoria, the City of Casey embraced the opportunity to link their program with the NMVTRC's Stolen Vehicle Rapid Response Initiative (SVRRI). Residents who successfully completed a survey and met the SVRRI criteria were rewarded with a voucher for a free GPS tracker, including installation and 12 months' connectivity.

Participating municipalities remain enthusiastic about the program, continuing to promote vehicle theft prevention as a shared responsibility in new and innovative ways.

This year saw an increased focus on public engagement through organised community events such as carnivals, safety expos and interactive stalls, which were run with like-minded community groups including Neighbourhood Watch and local law enforcement members.

The wide-range of NMVTRC public education materials were appreciated by grant recipients.

The theft performance of the top seven LGAs compared with their state average is presented below.

Local government area	2017	2018	% change	% change for the state
Canterbury-Bankstown	231	203	-12.1%	-7.8%
Penrith	178	158	-11.2%	-7.8%
Launceston	128	93	-27.3%	-27.3%
Darebin	272	239	-12.1%	1.0%
Newcastle	218	205	-6.0%	0.8%
Wollongong	181	157	-13.3%	0.8%
Hume	496	423	-14.7%	0.6%

Reform Activity *continued*

Understanding motorists' attitudes to key security

The increasing penetration of electronic immobilisers across the Australian fleet has made a major contribution to improving the nation's theft performance with volumes falling by over 60 per cent since they were made compulsory in new cars in 2001. Nationally, 9 in 10 vehicles are now protected by an engine immobiliser.

Whilst this should be welcomed, it has in part led to a distinct shift in some offenders' methods towards:

- residential burglaries to access the keys of 'secure vehicles' – with vehicle keys being the only property stolen in up to one in four reported burglaries in which a vehicle was taken; and
- offenders becoming more brazen, entering even occupied premises with a small number displaying a propensity for violence, or the threat of violence, to intimidate anyone they encounter.

These changes have led to considerable community anxiety that goes beyond the statistical reality of the scale of the problem. While perhaps the most difficult theft method to counter, a proactive approach to responsibly raise motorist and home-owner awareness of actual risk profiles and practical mitigation strategies is essential to maintaining a balance between restoring a sense of community safety and encouraging risk mitigation.

Together with Victoria Police and the Department of Justice and Community Safety, the NMVTRC commissioned behavioural economics research to better understand motorists' attitudes and actions towards safeguarding keys and vehicle theft via home burglary.

A combination of focus group and in-depth ethnographic studies tested people's reactions to car theft via residential burglary and views on habitually keeping keys out of clear view of windows and doors. The focus groups found that while many people are consciously placing keys in a particular place for convenience, they are giving little thought to security. There was also poor recognition of the nature of 'sneak' attacks, and the fact that while thieves may be breaking into occupied homes to steal keys, they still want to avoid being detected and/or confronted.

The research will inform the redevelopment of the NMVTRC's *Car Security Begins at Home* community education materials in 2019/20 to ensure the best chance of encouraging householders to adopt appropriate key safeguarding practices that will not expose them to other risks.

Quantifying the impacts of NSW profit-motivated theft offences

Successfully prosecuting profit-motivated car criminals is extremely resource intensive for law enforcement agencies and typically involves long lead times due to the complexity of the scams used by thieves, the loose networks by which they operate, and a heavy reliance on complex forensic techniques to conclusively identify suspect vehicles or parts seized in the process.

One of the main challenges facing prosecutors is that criminal networks have often assigned specialist functions to gang members to 'compartmentalise' the crime into distinct elements, i.e. vehicle procurement, suppliers of keys, carriers, couriers, rebirthers, shredders, brokers/fencers/sellers, stashers, document forgers etc. As a consequence, it has traditionally been difficult to prove a course of conduct against key syndicate members, often leading to charges not being sustained or the entering of plea bargains on lesser charges, such as receiving stolen property, in order to secure a conviction.

In response, in 2006 the NSW Government amended the Crimes Act to introduce a new offence of knowingly facilitating a car rebirthing activity that is carried out on an organised basis, in the expectation it would better secure appropriate convictions. A 2010 assessment conducted for the NMVTRC by DLA Phillips Fox found that it was too early to draw any clear conclusions on the use of or impact of the law, with many matters still before the court (or subject to appeal).

In early 2019 the NMVTRC engaged law firm Clayton Utz to undertake a fresh review to determine the effectiveness of the laws in addressing related criminal activity.

The review included a desktop analysis of the relevant legislation and other materials dealing with the investigation and prosecution of organised vehicle theft, the analysis of a range of data, and the prosecution and disposition of vehicle theft-related offences between 2000 and 2018.

Decisions of the NSW District Court and Court of Criminal Appeal were also reviewed and supplemented with discussions with officers of NSW Police and the Office of the Director of Public Prosecutions involved in investigating or prosecuting rebirthing cases.

The report highlights the significant reduction of 64 per cent in profit-motivated theft in NSW between 2000 and 2018, and the significant number of legislative measures and changes in law enforcement practices that have in combination contributed to this decline.

In summary, the review finds that while it is not possible to isolate the impact of the profit-motivated theft laws from the other measures, the reform, and in particular section 154G (knowingly facilitating organised car rebirthing activity), are useful investigative and prosecutorial tools that have secured convictions that might have not otherwise been possible.

The report also addresses concerns raised about the legislation, including the difficulty of proving knowledge and length of sentences, and considers the need for further legislative change.

The report is expected to be available from November 2019.

Technology

Collaboration with IAG Research Centre

The NMVTRC has formed a collaborative alliance with IAG's Research Centre (IAGRC) to ensure that we keep ahead of technological advances in vehicle architecture and e-theft methods. The partnership provides the NMVTRC with access to expert advice on cyber security risks, the practical testing of select, aftermarket security devices and/or Original Equipment Manufacture security features.

The collaboration's inaugural evaluation was of the Autowatch 'Ghost' aftermarket immobiliser. The CAN bus immobiliser was assessed on a range of factors including its utility, security and tamper resistance, user-friendliness, ease of installation and value for money.

The final report provides consumers with independent advice to assist them in choosing the most appropriate aftermarket security for their vehicle.

The report is available for download from the NMVTRC website.

Police responses

Australasian Vehicle Crime Managers' Network (AVCMN)

The NMVTRC convenes the AVCMN from time to time to enable senior law enforcement officers and lead investigators to:

- exchange perspectives on current and emerging trends in vehicle crime at a jurisdictional and national level;
- share information on jurisdictional responses to related crime, including specific investigation and broader service-wide strategic responses; and
- discuss inter-agency optimisation of intelligence and knowledge sharing.

The 2019 program provided for agencies to make a brief presentation on the key profit-motivated and short-term theft issues facing their jurisdiction and highlight any specific investigation structures or techniques that have proven to be effective.

The content of discussions is protected for operational purposes and cannot be reported in detail. However, in general terms, agencies were in agreement that residential burglaries to steal keys is the new permanent state and the pattern of youth offending towards more brazen, performative offending is providing new challenges across all jurisdictions.

A rise in vehicle cloning and theft by fraud was also noted in a number of jurisdictions.

The NMVTRC sought the views of participants on the capacity of police services to provide data on the ancillary uses of stolen vehicles by criminals with the view to analyse a sample of cases that will assist us to better quantify vehicles stolen for 'mixed' motivations.

There is strong support for the investigation of ancillary data holdings and the formation of an Analytics Reference Group, which would facilitate the sharing of information on motor vehicle crime and exploration of current and emerging data trends between police services and the NMVTRC.

The NMVTRC will also facilitate the inter-jurisdictional sharing of its state-based restricted access systems where the respective agencies agree.

The group also endorsed the NMVTRC's position that the Australian Government's draft Australian Design Rule on secure vehicle identification required greater specificity in respect of the real-world performance of a candidate product's tamper-evident, fraud-resistance and self-destructive qualities.

Fraud reduction

Minimising opportunities for insurance fraud

The NMVTRC continued to collaborate with 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.



05. Better data utilisation

Expert data systems

Police services across Australia have completed in-house training for the NMVTRC's world-leading expert vehicle crime data service, enabling them to fully utilise the service as a tool to tailor local and regional operational responses. The service was also expanded to include the capture of stolen number plates in Victoria as a pre-cursor to wider application nationally.



Reform Activity *continued*

The Vehicle Information Request System established by Austroads (with assistance from vehicle manufacturers and the NMVTRC) allows insurers to validate non-personal data (including VIN, make, model, year, stolen and written-off status) direct from the national registration system as a fraud mitigation tool.

In 2018, that system was redeveloped as part of a range of new commercial applications now approved by Austroads to access non-personal registration data based on a link between the vehicle's registration plate and its VIN. In 2018/19, approved information broker MotorWeb delivered more than 46 million vehicle status checks to insurers via its Auto Report and Auto Report Plus services.

Better data utilisation

Expert data systems

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.

The CARS database now contains more than 641 million records of vehicle data sourced from police, registration, insurance and automotive intelligence data providers.

A range of further system enhancements were introduced in 2018/19 including:

- a number plate theft filter for the Victoria Police restricted dashboard to capture thefts of number plates;
- the inclusion of a vehicle recovery filter on restricted dashboards for Queensland and Western Australia Police;
- the provision of in-house training of the expert data services and web tools for police authorities in NSW, NT and WA;
- the inclusion of new data items in the database e.g. tare weight, vehicle colour, country and continent of origin;
- sourcing and maintaining an image library of 2,900 PLC vehicles by make, model and series; and
- the creation of videos to promote the messaging of vehicle theft and statistics to key stakeholders and general public.

This year also saw more than 100,000 unique visits to the CARSAFE website. Law enforcement use of restricted services increased 32 per cent.

Performance Indicators

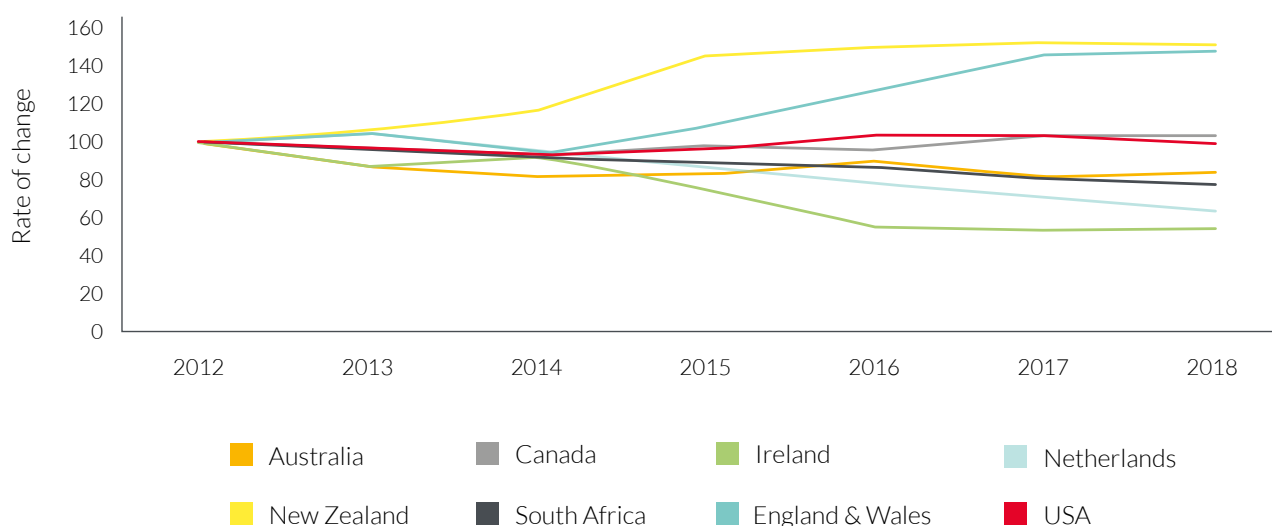
Vehicle theft in comparable developed nations

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 overtime. 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 indexation¹.

The time lag in reporting data in other jurisdictions limits the time series for comparison to the end of the 2018 calendar year.

Figure 4: International league table of car thefts – theft rate per 100,000 population indexed to 2012



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)

	2014/15	2015/16	2016/17	2017/18	2018/19
Short term thefts %	76%	79%	80%	80%	77%
Profit-motivated thefts %	24%	21%	20%	20%	23%

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

	2014/15	2015/16	2016/17	2017/18	2017/18
Short term thefts %	47%	49%	49%	49%	46%
Profit-motivated thefts %	53%	51%	51%	51%	54%

1. Australia – CARS database. 2. Canada – Statistics Canada. 3. Ireland – Central Statistics Office of Ireland. 4. Netherlands – Foundation for Tackling Vehicle Crim. 5. New Zealand Police. 6. South Africa – South African Police Service. 7. UK – Office of National Statistics. 8. USA – FBI Uniform Crime Reports.

Community perceptions of vehicle theft relative to other crime

The NMVTRC places a strong emphasis on measurable outcomes and the delivery of high-quality monitoring and evaluation processes. Periodically the NMVTRC conducts consumer research in order to determine key changes in community attitudes and concerns about vehicle crime relative to other crimes. Regular surveying enables the NMVTRC to track changes in community perceptions and refine its key messages.

The results of the March 2019 survey indicate that:

- overall concern about car theft and home burglaries remains at the same elevated level of the previous survey in March 2018;
- awareness of the realities of motor vehicle crime remains high, with the majority of motorists identifying young people as the main perpetrators of vehicle crime;
- identifying the use of vehicles for transport or to commit another crime was also well recognised amongst motorists surveyed;
- a significantly higher proportion of motorists this year indicated that key theft was the most common method of stealing cars; and
- although messaging around motor vehicle theft is resonating with motorists, there is still a lack of awareness of the connection between key theft and residential burglaries.

The cost of motor vehicle theft

The NMVTRC estimates the cost of all vehicle theft to be \$678 million, excluding the very large community costs associated with police investigations, courts and corrections¹.

Analysis of NMVTRC in the media

Vehicle theft remained a strong focus for the media this year, with 2,313² related articles published. Many of these articles included data provided by the NMVTRC, with an NMVTRC spokesperson directly quoted in over 238.

Based on media monitoring data, an estimated 63 million viewers were exposed to related media coverage. This included coverage of *Operation Bounce Back*, the Stolen Vehicle Rapid Response Initiative and direct quotes from NMVTRC spokespersons on a range of vehicle crime issues.

The NMVTRC has also featured prominently in online platforms, with social media exposure increasing by 32 per cent for the year.

An NMVTRC spokesperson provided comment in 14 radio and television interviews on vehicle crime issues.

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

1. 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).

2. The total number of publications quoted in 2017/18 was almost three times previously recorded totals. This was thought to be a result of a change in media monitoring and the new inclusion of social media coverage; however, it has since been determined that an incorrect algorithm caused the peak in recorded media stories. The inclusion of social media has increased the results, but only marginally.

Performance Indicators continued

Stakeholder-determined performance indicators

A select sample of senior stakeholder executives from across Australia were asked to participate in a short online survey 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.

Program coordination and consultation

All survey respondents rated the NMVTRC's performance as good or better. Scores of 'very good' or 'excellent' (71 per cent) 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. Awareness of the NMVTRC reforms or programs was highest for public education campaign *Car Security Begins at Home* (93 per cent) and expert working groups for the better management of end-of-life vehicles (93 per cent). This was closely followed by awareness of our Comprehensive Auto-theft Research Service (CARS) (85%) and Synergy Repairs social enterprise (78%).

Stakeholders reported an overwhelmingly high level of satisfaction regarding the NMVTRC's dissemination of vehicle theft data, with 64 per cent rating the NMVTRC's performance as 'very good' or 'excellent' and 36 per cent giving it a rating of 'good.'

Publications

One hundred per cent of respondents rated the quality of the NMVTRC's publications and statistical services positively, with 78 per cent indicating that the publications met their needs very well or extremely well.

The CAR-SAFE website was the most recognised of the publications/resources (93 per cent), followed by the Strategic Plan and Annual Report, public education material and the CARS statistical database, all with 69 per cent recognition.

Influence on reforms

A vast number of stakeholders (86 per cent) 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 active intervention and ability, as a national independent body, to facilitate a collaborative approach to achieve reforms across all jurisdictions. Ninety-three 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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Committee's Report

For the year ended 30 June 2019

Committee's report

Your committee members submit the financial report of National Motor Vehicle Theft Reduction Council Inc. for the financial year ended 30 June 2019.

Committee Members

The names of Committee Members throughout the year and at the date of this report are:

Committee Member	Positions
David M Morgan (AO)	Chair
Robert Bartlett	Committee Member
Mark Borlace	Committee Member
Geoff Gwilym	Committee Member
James Hurnall	Committee Member
Robert Hill APM	Committee Member
Andrew Lee	Committee Member
Karl Sullivan	Committee Member

Principal activities

The principal activities of the association during the financial year were: facilitation of infrastructure reform and public awareness in regard to motor vehicle theft reduction.

Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

The loss after providing for income tax for the financial year amounted to:

Year ended 30 June 2019	\$34,253
Year ended 30 June 2018	\$81,455

Going concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient grants from stakeholders to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Committee on:



David M Morgan (AO)
Chairman
18 September 2019



Mark Borlace
Committee Member
18 September 2019

Statement by Members of the Committee

For the year ended 30 June 2019

We, David M Morgan (AO) (Chair), and Mark Borlace, being members of the Committee of National Motor Vehicle Theft Reduction Council Inc. certify that:

The statements attached to this certificate give a true and fair view of the financial position and performance of National Motor Vehicle Theft Reduction Council Inc. during and at the end of the financial year of the association ending on 30 June 2019.



David M Morgan (AO)

Chairman

18 September 2019



Mark Borlace

Committee Member

18 September 2019

Certificate by Members of the Committee

For the year ended 30 June 2019

I, David M Morgan (AO), (Chair) of 36 Walbundry Avenue, North Balwyn, VIC, 3104
and

I, Mark Borlace (Committee Member) of 101 Richmond Road, Mile End, SA, 5031
certify that:

1. We attended the Annual General Meeting of the association held on 18 September 2019.
2. The financial statements for the year ended 30 June 2019 were submitted to the members of the association at its annual general meeting.



David M Morgan (AO)

Chairman

18 September 2019



Mark Borlace

Committee Member

18 September 2019

Income and Expenditure Statement

For the year ended 30 June 2019

	2019 \$	2018 \$
Income		
Grant operating	1,888,250	1,838,250
Total income	1,888,250	1,838,250
Gross surplus	1,888,250	1,838,250
Other income		
Interest income	14,641	14,414
Total other income	14,641	14,414
Expenditure		
Accountancy	4,700	3,675
Audit fees	5,555	5,455
Depreciation	7,416	-
Employee benefits	495,018	645,388
Sitting fee	30,000	30,000
Better data utilisation	475,124	475,124
Communications	164,850	206,600
Disrupt separated parts market	39,105	5,000
Disrupt vehicle laundering markets	32,294	54,543
Diverting young offenders	263,636	182,182
Stakeholder and community capacity	136,980	209,695
Other expenses	282,467	116,457
Total expenditure	1,937,145	1,934,119
Current year surplus/(deficit) before income tax adjustments	(34,253)	(81,455)
Current year surplus/(deficit) before income tax	(34,253)	(81,455)
Net current year surplus /(deficit) after income tax	(34,253)	(81,455)

Statement of Financial Position

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents		1,038,487	1,005,304
Trade and other receivables	3	101,921	39,476
GST receivable		66,749	38,147
Total current assets		1,207,156	1,082,927
Non-current assets			
Fixed assets	4	7,522	-
Total non-current assets		7,522	-
Total assets		1,214,678	1,082,927
Liabilities			
Current liabilities			
Trade and other payables	5	355,203	44,793
Provisions	6	161,188	305,593
Total current liabilities		516,391	350,386
Total liabilities		516,391	350,386
Net assets		698,287	732,540
Members' funds			
Current year surplus/(deficit)		(34,253)	(81,455)
Retained surplus		732,540	813,995
Total members' funds		698,287	732,540

Statement of Cash Flows – Direct Method

For the year ended 30 June 2019

	2019 \$	2018 \$
Operating activities		
Receipts from grants	2,044,125	1,838,250
Payments to suppliers and employees	(2,010,645)	(1,911,507)
Interest received	14,641	14,414
Cash payments from other operating activities		
Net cash flows from operating activities	48,121	(58,843)
Investing activities		
Payments for property, plant and equipment	14,938	-
Other cash items from investing activities		
Net cash provided by (used in) investing activities		
Other activities		
Other activities		
Net cash flows from other activities		
Net cash flows	33,183	(58,843)
Cash and cash equivalents		
Cash and cash equivalents at beginning of period	1,005,304	1,064,147
Cash and cash equivalents at end of period	1,038,487	1,005,304
Net change in cash for period	33,183	(58,843)

Notes to the Financial Statements

For the year ended 30 June 2019

1. Summary 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 (PPE)

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 coverable amounts.

Impairment of assets

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

Employee entitlements

Provisions are 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.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Revenue and other income

Grant income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

Interest revenue is recognised when received.

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

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Accounts payable and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Notes to the Financial Statements continued

For the year ended 30 June 2019

	2019 \$	2018 \$
2. Cash on hand		
CBA cash management account	800,447	992,840
CBA trading account	238,021	12,383
Petty cash on hand	19	81
Total cash on hand	1,038,487	1,005,304
3. Trade and other receivables		
Other receivables		
Trade debtors	55,000	-
Total other receivables	55,000	-
Prepayments		
Other assets	600	600
Prepayments	46,321	38,876
Total prepayments	46,921	39,476
Total trade and other receivables	101,921	39,476
4. Plant and equipment, motor vehicles		
Plant and equipment		
Plant and equipment at cost	188,252	173,314
Accumulated depreciation of plant and equipment	(180,731)	(173,314)
Total plant and equipment	7,522	
Total plant and equipment, motor vehicles	7,522	-
5. Trade and other payables		
Other payables		
Other creditors	211,833	1,894
PAYG withholdings payable	7,136	10,555
Superannuation payable	2,933	1,449
Trade creditors	133,301	30,895
Total other payables	355,203	44,793
Total trade and other payables	355,203	44,793
6. Provisions		
Provision for annual leave	60,315	101,053
Provision for long service leave	100,873	204,540
Total provisions	161,188	305,593

Compilation Report

Compilation Report

National Motor Vehicle Theft Reduction Council Inc For the year ended 30 June 2019

Compilation report to National Motor Vehicle Theft Reduction Council Inc.

We have compiled the accompanying special purpose financial statements of National Motor Vehicle Theft Reduction Council Inc, which comprise the asset and liabilities statement as at 30 June 2019, income and expenditure statement, the statement of cash flows, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Committee Member's

The committee of National Motor Vehicle Theft Reduction Council Inc are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the partners we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as 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 the basis of accounting described in Note 1 to the financial statements. 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 special purpose financial statements were compiled exclusively for the benefit of the committee 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 special purpose financial statements.



One On One Accountants Pty Ltd

Elizabeth A Clifford

Dated: 30/08/2019

**NATIONAL MOTOR VEHICLE THEFT REDUCTION
COUNCIL INCORPORATED
ABN 45 859 804 389
INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

Opinion

I have audited the financial report of National Motor Vehicle Theft Reduction Council Inc. comprising the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In my opinion, the accompanying financial report presents fairly, in all material respects in accordance with the Associations Incorporation Reform Act 2012, the financial position of the association as at 30 June 2019 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the in accordance with the Associations Incorporation Reform Act 2012.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

I draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the entity in meeting its obligations under the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose. My report is intended solely for the entity and should not be distributed to or used by parties other than the entity. My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Reform Act 2012, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

**NATIONAL MOTOR VEHICLE THEFT REDUCTION
COUNCIL INCORPORATED
ABN 45 859 804 389
INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

I communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during my audit.



Geoffrey B Johnson FCA
Of Rucker Audit and Assurance Pty Ltd
Date: *2nd October 2019*
Doncaster, Victoria

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