

SPECIAL MINISTER OF STATE

OVERVIEW

<i>Agency</i>	<i>Budget 1998-99 \$m</i>	<i>Budget 1999-2000 \$m</i>	<i>Variation %</i>
Motor Accidents Authority			
Total Expenses	19.6	17.7	(-) 10
Asset Acquisitions	0.1	0.1	(-) 44.4
Total, Special Minister of State			
Total Expenses	19.6	17.7	(-) 10
Asset Acquisitions	0.1	0.1	(-) 44.4

MOTOR ACCIDENTS AUTHORITY

The Motor Accidents Authority of New South Wales (MAA) is a statutory corporation established under the *Motor Accidents Act 1988*.

The MAA monitors and manages the Motor Accidents Scheme under which competing licensed insurers sell Compulsory Third Party (CTP) Insurance (known as “Green Slips”) to the public in New South Wales. The MAA services the community in the following manner:

- ◆ reviews and monitors premiums, handles claims enquiries and complaints, manages the Nominal Defendant Scheme, collects and analyses statistics, monitors solvency and financial performance of insurers;
- ◆ educates and advises key groups, identifies special needs, supports and funds awareness and prevention, injury management and research projects;
- ◆ develops and implements public education about the Green Slip and road safety initiatives; and
- ◆ monitors and reviews legislation and legal developments as well as developing and coordinating policy.

Expenditure Trends and Recent Developments

During 1998-99 the Board of the Authority responded to Government and community concern about rising Compulsory Third Party Insurance premiums by commissioning a review of the scheme. This involved the formation of a CTP Working Party. Appropriate legislation to reduce the average CTP insurance premiums was recently introduced into Parliament.

Strategic Directions

The MAA's corporate goals are:

- ◆ to manage and monitor the NSW Motor Accidents Scheme effectively;
- ◆ to promote and fund appropriate injury management, road safety and public affairs projects/programs; and
- ◆ to continue to educate the NSW community about the Motor Accidents Scheme.

1999-2000 Budget

Total Expenses

Total expenses for 1999-2000 are estimated at \$17.672 million. This is only a marginal increase on 1998-99 expenditure figure.

The MAA's income is derived primarily from 1 percent levy on gross CTP insurance premiums collected by the licensed insurers.

Asset Acquisitions

MAA's acquisition program relates solely to office related assets such as computer equipment and furniture (budgeted at \$50,000).

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	1998-99		1999-2000
	Budget	Revised	Budget
	\$000	\$000	\$000
OPERATING STATEMENT			
Retained Revenue -			
Sales of goods and services	...	5	1,050
Investment income	550	550	439
Retained taxes, fees and fines	14,603	14,603	16,533
Other revenue	30	30	26
Total Retained Revenue	15,183	15,188	18,048
Less:			
Expenses -			
Operating Expenses -			
Employee Related	2,757	2,873	3,062
Other operating expenses	16,782	14,113	14,507
Maintenance	44	44	52
Depreciation and amortisation	60	60	51
Total Expenses	19,643	17,090	17,672
Gain/(loss) on disposal of non current assets	...	(20)	...
SURPLUS/(DEFICIT) BEFORE DISTRIBUTIONS	(4,460)	(1,922)	376

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	1998-99		1999-2000 Budget \$000
	Budget \$000	Revised \$000	
CASH FLOW STATEMENT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Sale of goods and services	...	5	1,050
Retained taxes	14,503	14,503	16,108
Other	1,547	581	460
Total Receipts	16,050	15,089	17,618
Payments			
Employee Related	2,734	2,728	3,025
Other	16,400	14,035	14,889
Total Payments	19,134	16,763	17,914
NET CASH FLOWS FROM OPERATING ACTIVITIES	(3,084)	(1,674)	(296)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	...	11	...
Proceeds from sale of investments	4,322
Advance repayments received	...	109	...
Purchases of property, plant and equipment	(90)	(81)	(50)
Purchases of investments	(1,125)
NET CASH FLOWS FROM INVESTING ACTIVITIES	3,107	39	(50)
NET INCREASE/(DECREASE) IN CASH	23	(1,635)	(346)
Opening Cash and Cash Equivalents	68	145	10,951
Reclassification of Cash Equivalents	...	(12,441)	...
CLOSING CASH AND CASH EQUIVALENTS	91	10,951	10,605
CASH FLOW RECONCILIATION			
Surplus/(deficit) for year before distributions	(4,460)	(1,922)	376
Non cash items added back	60	60	51
Change in operating assets and liabilities	1,316	188	(723)
Net cash flow from operating activities	(3,084)	(1,674)	(296)

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	1998-99		1999-2000
	Budget \$000	Revised \$000	Budget \$000
STATEMENT OF FINANCIAL POSITION			
ASSETS -			
Current Assets -			
Cash	91	10,951	10,605
Investments	300
Receivables	1,330	847	1,277
Other	369	351	592
Total Current Assets	2,090	12,149	12,474
Non Current Assets -			
Property, plant and equipment - Cost/valuation	617	355	405
Accumulated depreciation	(360)	(139)	(190)
Investments	1,680
Total Non Current Assets	1,937	216	215
Total Assets	4,027	12,365	12,689
LIABILITIES -			
Current Liabilities -			
Accounts payable	667	2,214	2,110
Employee entitlements	180	170	194
Total Current Liabilities	847	2,384	2,304
Non Current Liabilities -			
Employee entitlements	380	378	406
Total Non Current Liabilities	380	378	406
Total Liabilities	1,227	2,762	2,710
NET ASSETS	2,800	9,603	9,979
EQUITY			
Accumulated funds	2,800	9,603	9,979
TOTAL EQUITY	2,800	9,603	9,979