

LIFETIME CARE AND SUPPORT AUTHORITY ANNUAL REPORT 09/10



LETTER TO THE MINISTER

31 October 2010

The Hon. Michael Daley MP
Minister for Finance
Minister for Police
Parliament House, Macquarie Street
Sydney NSW 2000

Dear Minister

We are pleased to submit to you the 2009/10 Annual Report from the Lifetime Care and Support Authority of NSW for presentation to the NSW Parliament.

This report summarises the Authority's performance during 2009/10 and the outcomes that it achieved. It has been prepared in accordance with the *Annual Reports (Statutory Bodies) Act 1984*, the *Public Finance and Audit Act 1983*, the *Motor Accidents Lifetime Care and Support Act 2006* and relevant regulations.

Yours sincerely



Nick Whitlam
Chairman



Lisa Hunt
Chief Executive Officer
(CASD)

NSW Government publication
Lifetime Care and Support Authority of NSW
October 2010
ISSN 1034-6694

The Lifetime Care and Support Authority 2009/10 Annual Report has been prepared in accordance with the relevant legislation for the Hon. Michael Daley MP

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The cost to produce the annual report was \$8450.

Copies are available at www.lifetimecare.nsw.gov.au.

Paper copies are also available on request (1300 137 131)

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YEAR IN REVIEW

A strategy for planned growth to meet the expected demand of increasing participant numbers and service delivery gaps is being implemented. Offices have been opened in Parramatta to assist participants in Western Sydney and in Newcastle, serving the Hunter and Central Coast Region. Over the past year the Authority has provided training and workshops to over 200 professionals. The Authority's website has been redesigned and a service provider extranet has been launched. The Authority has revised and planned new guidelines covering the areas of home modifications, attendant care and buying into the scheme.

TRAINING AND WORKSHOPS HAVE BEEN PROVIDED TO OVER 200 PROFESSIONALS



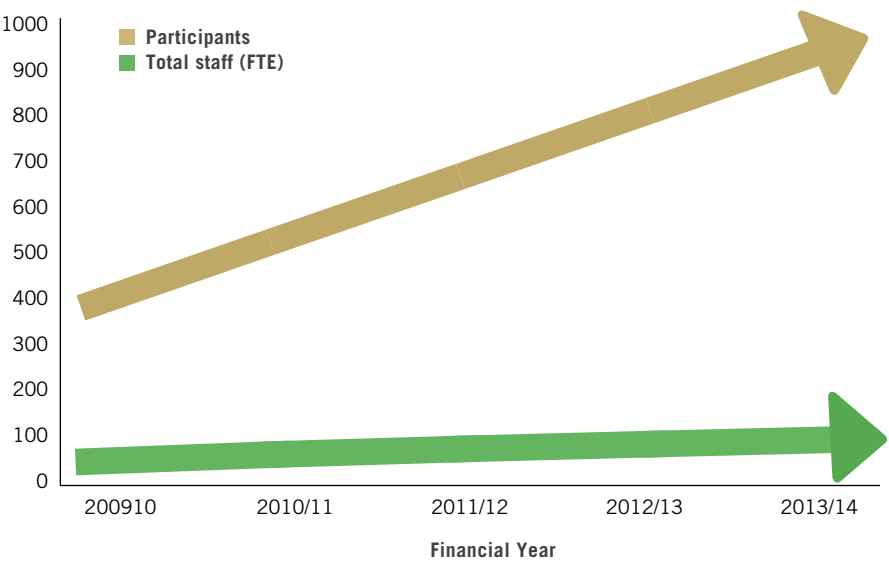
HITS ON THE AUTHORITY WEBSITE HAVE INCREASED FROM 58,204 IN THE 2008/09 REPORTING YEAR TO 89,061 IN THE PAST REPORTING YEAR



THE AUTHORITY'S BOARD HAS IMPLEMENTED A \$25 MILLION DISABILITY INFRASTRUCTURE PLAN TO MEET THE NEEDS OF PARTICIPANTS WITH VERY HIGH CARE NEEDS OVER THE NEXT FIVE YEARS



EXPECTED AUTHORITY AND SCHEME GROWTH





“VISION/ MISSION”

Participants are treated with respect and dignity and given the best opportunities and choices in achieving quality of life. In achieving this, the Authority seeks to be an international leader in the delivery and development of disability services.

ABOUT US

WHO WE ARE – WHAT WE DO

The Lifetime Care and Support Authority is a statutory corporation established on 1 July 2006 under the *Motor Accidents (Lifetime Care and Support) Act 2006*. The Authority is responsible for the administration of the Lifetime Care and Support Scheme which provides lifelong treatment, rehabilitation and attendant care for people severely injured in a motor vehicle accident in NSW, regardless of who was at fault. The Authority's role is to ensure the Scheme:

- meets participant's needs
- provides quality services
- is affordable
- is prudently managed.

People who are eligible to enter the Scheme may have a spinal cord injury, moderate to severe brain injury, multiple amputations, severe burns or permanent blindness.

Once eligibility has been confirmed, the Authority provides treatment and support as it is needed throughout the person's life. The injured person is supported by a coordinator who assists them to plan their rehabilitation and care.

The Authority also funds the development of programs and research that will assist injured people and their families in dealing with the impacts of traumatic injury, research the effectiveness of different rehabilitation methods, and provide health professionals with best practice information.

LEGISLATION

The Lifetime Care and Support Scheme is established under the *Motor Accidents (Lifetime Care and Support) Act 2006*.

This Act outlines the support available under the Scheme and the role of the Lifetime Care and Support Authority. An amendment to the *Motor Accidents (Lifetime Care and Support) Act 2006* was passed in October 2009. The *Motor Accidents (Lifetime Care and Support) Amendment Bill 2009* includes the provision that a child will not be assessed for lifetime participation before the age of five years, which applies to current and future participants.

The 2009 legislation also includes a "buy-in" provision to allow a person injured in a motor accident before the commencement of the Scheme to become a participant. An injured person may "buy-in" if they meet the eligibility criteria and pay an amount determined by the Authority to fund the future treatment and care needs of the injured person. Buying into the Scheme is voluntary.

ADDITIONAL INFORMATION ON AGENCY STRUCTURE

The Authority is part of the Compensation Authorities Staff Division (CASD) which was formed as part of the NSW Government's creation of Principal Agencies in July 2009.

The CASD group sits within the Treasury portfolio. Other agencies in the CASD are:

- Dust Diseases Board
- Long Service Payments Corporation
- Motor Accidents Authority of NSW
- WorkCover Authority of NSW.

Lisa Hunt, Chief Executive of WorkCover NSW is also the Chief Executive Officer of CASD.

All CASD agencies report to the Minister for Finance, with the Long Service Payments Corporation reporting to the Minister of Industrial Relations.

The Office of the Motor Accidents Authority was established in 2006 under the *Public Sector Employment and Management Act 2002*. The Office provided management of employment and other corporate services to the Lifetime Care and Support Authority and the Motor Accidents Authority under service agreements. From 1 July 2009, the employment functions of the Office have been transferred to the Compensation Authorities Staff Division as part of the structure of the New South Wales Public Sector.

HOW THE ANNUAL REPORT IS STRUCTURED

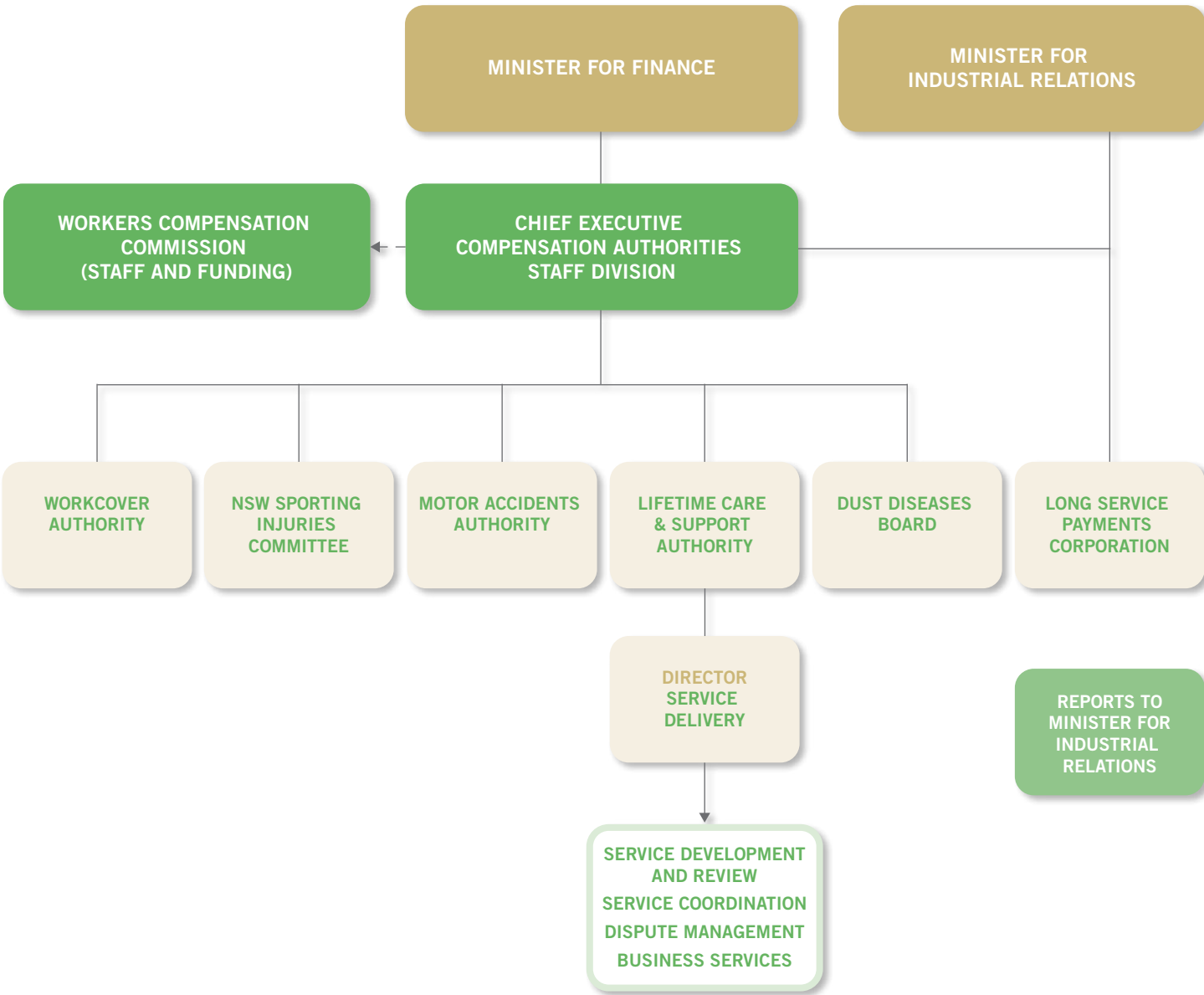
The 2009/10 Annual Report is structured to provide an overview of the Scheme, its participants and service areas.

The financial statements contain the audited financial statements for the year ended 30 June 2010.

The appendices to this report provide additional information required under the *Annual Reports (Statutory Bodies) Act 1984* and its regulations, the *Freedom of Information Act 1989* and Treasury circulars and Premier's memoranda.



ORGANISATIONAL CHART



FUTURE DIRECTIONS

The Authority has implemented a formal annual corporate planning process inclusive of key performance indicator setting and review, and workforce modelling. The key strategic priorities relate to establishing the basis of the operation of the Scheme including case management, funding and investment. Strategic initiatives are supported by generic programs around corporate support and quality process improvement.

CRITICAL SUCCESS FACTORS

Five factors have been identified as essential to strategy execution and to assure the Board of efficient and effective operations:

- i. capability to implement key initiatives
- ii. well defined and transparent performance management processes
- iii. clear role definition and individual accountability
- iv. consistent and timely tracking and reporting of outcomes
- v. communication between management and the Board

STRATEGIC PRIORITIES 2010/11

1. EMPLOYMENT

Improving participant employment opportunities by working with associations and groups in both the disability and health sector.

2. HEALTH CARE SYSTEM GAPS

Improving the availability of experienced providers for participants with brain injury and mental issues has been identified as a challenge which impedes optimal recovery. Early assessment of psychosocial factors and rehabilitation services in rural and metropolitan fringe areas must also be prioritised.

3. CAPACITY AND SKILLS OF CASE MANAGERS

Case management is provided to most participants in the early years after injury and serves to assist participants with complex needs to negotiate and receive a wide range of services. The Authority has released a detailed discussion paper on case management for scheme participants and is moving toward having preferred providers who meet the Authority's standards of practice.

4. SERVICE QUALITY

There is an ongoing program to improve processes and resources within the Authority. This includes further development of the functionality and reporting of the case management system (Navigator) and internal and external review of policies and procedures. The Authority is also supporting quality improvement in participant services through endorsing the Attendant Care Industry Association quality standards. Also in 2009 an independent participant survey provided the impetus for ongoing improvement in the Authority's services.



5. RESEARCH

The Authority has continued to fund research targeted to assist and improve outcomes for participants. This includes addressing issues cooperatively with other jurisdictions to maximise the effort and scope of research into areas such as the benefits of physical therapy after spinal cord injury. The Authority is also a partner in the establishment of the John Walsh Centre for Injury Research.

6. INFRASTRUCTURE

The Authority considers broadly the cost/benefit of developing infrastructure to better meet participants' needs. In 2009 the Authority approved a major infrastructure program to develop appropriate housing for participants with high support needs. Further work will also develop ways to better model the social benefits of a wide range of service provision.

7. FINANCE

The Lifetime Care and Support financial model includes the elements of a risk weighted levy relativity table, life costing model, appropriate investment targets and detailed financial reporting of actual to life cost to actuarial valuations. The model is being supported through further integration of case management, life costing, finance and business intelligence systems.

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER AND CHAIRMAN

The Lifetime Care and Support Scheme meets the needs of people very seriously injured in motor vehicle accidents in NSW and has now been in operation for three years.

The Board of the Lifetime Care and Support Authority has closely monitored the delivery of services to Scheme participants. It has also involved itself in the financial management of the Scheme and, in particular, in setting investment parameters for the Authority's funds.

During the year, the Board undertook a strategic review of the Scheme and is now undertaking a detailed risk review. As part of the strategic review, the Board examined the original actuarial assumptions underlying the Scheme funding. It is pleasing to note that these have proved to be remarkably robust.

In terms of injury profile of people entering the Scheme, there has been a slightly higher severity of injury than was anticipated. In part, this is attributable to continued improvements in retrieval and emergency care. Not surprisingly, higher severity injuries have a higher cost per participant which pushes up Scheme costs. Offsetting this has been an older average age of participants than was originally anticipated. While the number of children entering the Scheme has risen slightly compared to earlier years, it remains well below the expected number at the time the Scheme was introduced, this is good news.

There have been a surprising number of older people entering the Scheme. Just on 10 per cent of participants are over 60 years of age at the time of injury. With our aging population remaining active road users, this is a trend that is likely to continue.

Seventy per cent of scheme participants are male, and men are significantly over-represented in the group who cause their own injuries.

The most over-represented group of road users are motorcyclists and they are predominately responsible for their own injuries. This remains a critical road safety issue.

In terms of services, the Board has monitored the arrangements with hospitals and rehabilitation units closely. We are pleased that good management practices have significantly reduced the amount of paperwork required by clinicians. The Authority has recently commissioned an audit of hospital services.

The focus of the Scheme is getting individuals back into their communities through care and support services. Attendant care is the single largest cost for the Scheme and it is pleasing to note that the arrangements with attendant care providers are well settled. The Authority has worked closely with the Attendant Care Industry Association (ACIA) and has provided financial support to the ACIA to establish a quality program for the Association.


The Authority is also looking closely at initiatives to provide support to participants to return to employment or meaningful activity and Guidelines have recently been sent out for comment.

Accommodation for participants with high needs remains a priority. The Board has approved a budget for capital expenditure for supported accommodation. Three properties have been purchased to date, two of which have been modified and are now occupied by Scheme participants. This initiative is designed to provide our participants with a place back in their own community, close to family and friends while still meeting significant care needs.

By the end of the financial year, Scheme funds exceeded \$1 billion. The Board spends considerable time reviewing the Scheme investment strategy. During the Scheme's start-up phase, the Board took a conservative approach to asset allocation, and this helped the Authority weather the global financial crisis. As the Scheme matures, the Board is moving some funds into a growth portfolio.

We are pleased to note that late last year the Commonwealth Government gave a reference to the Productivity Commission to review the feasibility of establishing a national disability care and support scheme. The NSW Lifetime Care and Support Scheme is a case study of how such a social insurance scheme could work, and I am pleased that Mr David Bowen, Executive Director of the Authority, has been appointed to the Independent Panel assisting the Commission with that review.

We would like to thank the Board for their contribution to the business strategy and direction. We also thank our staff for their commitment and drive to provide a service to our customers and all our stakeholders.



Nick Whitlam
Chairman



Lisa Hunt
Chief Executive Officer
(CASD)

LIFETIME CARE AND SUPPORT AUTHORITY BOARD

The Lifetime Care and Support Authority's Board consists of four part time directors and the Chief Executive of the Compensation Authorities Staff Division as an ex officio member. Of the part time directors, one is nominated by the Treasurer and three are nominated by the Minister. The Board determines the Authority's administrative policies. In exercising that function, the Board must ensure the Authority's activities are carried out properly and efficiently.



NICHOLAS WHITLAM
AB (Hons), MSc

Chair

Term of appointment:

31 October 2006 – 1 October 2012

Nicholas Whitlam serves on the boards of the Port Kembla Port Corporation (as Chairman), the WorkCover Insurance Fund

Investment Board (Deputy Chairman) and of the Whitlam Institute. He is a Trustee of the Steiner Pohl Foundation and a Governor of the Curran Foundation at St Vincent's Hospital, Sydney.



ROBERT CARLING MSc (Econ), MBA, BEcon (Hons)

Term of appointment:

31 October 2006 – 30 October 2012

Before joining the Board, Robert Carling served for 25 years as an economist and senior executive in the Commonwealth and New South Wales Treasury Departments

and in the International Monetary Fund. He also served as the Alternate Executive Director for the Australian led constituency on the World Bank Board of Directors. He is currently a Senior Fellow at the Centre for Independent Studies.



CASS O'CONNOR

Term of appointment:

31 October 2006 – 1 October 2012

Cass O'Connor is a corporate advisor and investor, and devotes a portion of her time to not-for-profit ventures. She has previously worked in senior executive positions with Goldman Sachs (Australia),

Carnegie Wylie & Company, Turnbull & Partners Limited and Deutsche Bank and is currently Commercial Director for the Matilda Rose Early Intervention Centre. Disability support is a key not-for-profit focus. She has held a number of directorships in both the public and private sectors.



JUDITH BAMFORTH

Term of appointment:

1 November 2009 – 1 October 2012

Before joining the Board, Judith Bamforth served 23 years in the not-for-profit sector. During this time she developed a major community-based organisation

known as Woodville Community Services Inc. As CEO she was responsible for managing a portfolio of complex services including, children's services, Aboriginal services, CALD services, community development and disability services.



LISA HUNT BA LLB

Ex Officio member

Term of appointment: Ex Officio

In January 2010, Lisa Hunt was appointed Chief Executive Officer, WorkCover NSW and Chief Executive, Compensation Authorities Staff Division, which oversees the offices of WorkCover Authority, Dust

Diseases Board, Motor Accidents Authority, Lifetime Care and Support Authority and Long Service Payments Corporation. Lisa was previously a senior executive at Transurban Limited (an ASX listed international tollroad owner, operator and developer) for seven years.

Lisa has significant experience on private and public sector boards including Westlink Limited, Sydney Catchment Authority, Queensland Rail, Infrastructure Partnerships Australia and the Greater Western Sydney Economic Development Board and a number of infrastructure boards. Lisa commenced her career in law before working in government in a range of sectors including: immigration, regulatory systems, transport and infrastructure development.



DAVID BOWEN BA, Dip Law

Term of appointment: Ex Officio

Mr Bowen ceased being an Ex Officio member in December 2009.

David Bowen established the Lifetime Care Scheme in 2006. From 1998 to 2009 he was the General Manager of the Motor Accidents Authority. Prior to that

he was the Director of the Policy Division of the Attorney General's Department. David represents the NSW Government on the Board of the Asbestos Injuries Compensation Fund and is also a Director of CareFlight Pty Ltd. David's expertise in providing services to people with disabilities has been recognised with his appointment to the expert panel advising the Productivity Commission in its review of the feasibility of a national disability care and support scheme. David's services to people with disabilities has also been recognised with awards from Wheelchair Sport NSW, the Day of Difference Foundation and the Sir Roden Cutler Foundation.

Board members whose term expired during the reporting year:

RICHARD GRELLMAN AM, FCA

Chairman

Term of appointment: 31 October 2006 – 30 October 2009

The Board met six times during the 2009/10 financial year.

	MEETINGS ATTENDED
BOARD MEETINGS ATTENDED	
Nicholas Whitlam	6
Robert Carling	6
Cass O'Connor	6
Judith Bamforth	4
Lisa Hunt	3
Richard Grellman	2
David Bowen	6

LIFETIME CARE AND SUPPORT COUNCIL

The role of the Advisory Council is to advise the Minister on matters relating to the Lifetime Care and Support Scheme. The Advisory Council consists of eight members including the Chief Executive Officer of the Authority.

DOUGIE HERD

Chair

Dougie Herd is the Executive Officer of the Office of the Disability Council of NSW, which is the official advisory body to the NSW Government and the State Disability Advisory Body to the Commonwealth Government. Dougie has extensive experience in Australia, Scotland and the European Union in social justice and the rights of people with a disability.

DR STEPHEN BUCKLEY

Dr Stephen Buckley is a consultant physician in Rehabilitation Medicine at the Royal North Shore Hospital and The Royal Rehabilitation Centre Sydney and specialises in traumatic brain injury. He is involved in educational and professional rehabilitation issues and is President of the Australasian Faculty of Rehabilitation Medicine, Royal Australasian College of Physicians.

DENIS GINNIVAN

Denis Ginnivan is the Director of the South West Brain Injury Rehabilitation Service and has 17 years experience in direct service provision to persons with a brain injury in rural NSW. He has been successful in establishing innovative models of service to respond to the needs of people living in rural NSW; and in establishing the Rural Rehabilitation Research on Brain Injury project, research collaboration between the eight brain injury rehabilitation services across rural NSW and the school of Community Health at Charles Sturt University. Denis is the Deputy Co-chair of the NSW Brain Injury Rehabilitation Directorate, and he has qualifications in social work, economics and mediation.

DR ADELINE HODGKINSON

Dr Adeline Hodgkinson is the Chair of the Greater Metropolitan Clinical Taskforce Directorate for Brain Injury Rehabilitation, and is the Director of Sydney South West Area Health Service Brain Injury Rehabilitation Program. She has over 20 years experience in brain injury rehabilitation. Dr Hodgkinson has been extensively involved in clinical research, as well as planning, coordinating and evaluating brain injury services across NSW.

BARBARA MERRAN

Barbara Merran has in excess of 35 years experience as a registered nurse and has been the Public Affairs Director of Southern Cross Community Healthcare since its inception in 1984. Barbara, the founding President of the Attendant Care Industry Association (ACIA), played a key role in establishing ACIA to represent the attendant care industry. Barbara has also been appointed to the HACC Advisory Committee reporting to both the State and Federal Ministers. She is an advocate for quality community care and has contributed significantly to the attendant care industry through participation in a wide range of industry forums and working parties.

RACHEL MERTON

Rachel Merton is the Chief Executive Officer of the Brain Injury Association of NSW, which is the peak advocacy organisation for people with a brain injury, their families and carers. Rachel has over 12 years experience working in areas of health and disability.

DR JAMES MIDDLETON

Dr James Middleton is the Director of the State Spinal Cord Injury Service and an Associate Professor at the Rehabilitation Studies Unit, University of Sydney. He has extensive experience in the treatment of persons with a spinal cord injury, working currently as a staff specialist for Spinal Outreach Service and having previously been medical director of the Moorong Spinal Unit between 1996-2006. Dr Middleton is known for his dedication to service development and research in the field of spinal cord injury rehabilitation, and has numerous publications in peer review journals.

THE SCHEME MEETS PARTICIPANTS NEEDS AND PROVIDES QUALITY SERVICES

PARTICIPANT SURVEY

The Authority conducted its first participant satisfaction survey in October 2009. A tender was conducted and Dr Sandra Rickards was the successful applicant to design and undertake the survey on the Authority's behalf. Participants included in the survey were those who had been in the Scheme for at least six months, had returned to living in the community and had not been previously surveyed by the Authority. A total of 112 participants were surveyed with a response rate of 78 per cent.

The results of the survey were positive with 84 per cent of respondents satisfied, very satisfied or extremely satisfied with how the Scheme meets participants' needs. Participant satisfaction with the services they received was also high, with at least 75 per cent of respondents satisfied, very satisfied or extremely satisfied. Specifically, there was 95 per cent satisfaction with occupational therapy, 89 per cent satisfaction with case management and 88 per cent satisfaction with attendant care services.

"Lifetime care has been a blessing to a family in trauma."

"Please express my thanks to the government, the hospital, the case manager and staff that assisted me."

"My case manager is fantastic. I am immensely grateful to Lifetime Care and Support."

"Great service. I would not be where I am today back in the work force without Lifetime Care and Support."

Areas identified for improvement for the Authority included the repetition of initial information three months after the participant returns home, more regular contact between the Lifetime Care and Support coordinator and the participant and establishing a secondary contact person for the participant. The Authority has developed an implementation program to ensure the recommendations are actioned.

The participant satisfaction survey will be conducted on an annual basis as part of the Authority's quality assurance program. This will provide measures of Scheme performance over time and between participant groups. A longitudinal survey plan has been developed to ensure that individual participants are surveyed no more frequently than once every three to five years.

ATTENDANT CARE

As the number of participants in the community grows, so to has the demand for attendant care services. In July 2009 nearly \$92,000 was spent on attendant care services. By June 2010 this had increased to over \$560,000 for the month. The Authority is currently reviewing its attendant care program.

Auditors were commissioned by the Authority to conduct an audit of its attendant care providers against performance measures for quality. The auditors were also asked to make suggestions on how the Authority could improve its processes. These performance measures are outlined in the "interim measures" and are a set of 60 policy and practice criteria.

This was a one-off audit. In the future, certification to the Attendant Care Industry Management Service Standards (ACIMSS) will replace the need for onsite auditing against quality measures.

All providers who participated in the audit process satisfactorily met the requirements of the Authority's performance measures, confirming their status as an approved attendant care provider.

EXTRANET FOR ATTENDANT CARE PROVIDERS

The Extranet, a password protected provider portal on the Authority's webpage was launched in March. The Extranet is a hub for all attendant care resources and contains information for providers such as the service provider agreement, schedule of fees and relevant forms.



SERVICE PROVIDER TRAINING

The Authority continued its training program for service providers in 2009 and 2010. Service providers are the key to ensuring participants' needs are met. The program included the delivery of a workshop on care needs assessment, two FIM® training workshops, two Wee FIM™ training workshops, two introduction to the Scheme workshops and an update on home modifications for case managers and occupational therapists.

The Authority also conducted training for service providers located in regional areas. This training was tailored specifically to the needs of providers in these areas and included the Hunter Region, the New England Brain Injury Service (Tamworth) and South Western Brain Injury Service (Albury).

Additionally, the Authority presented at the 2010 Institute of Trauma and Injury Management: Allied Health and Rehabilitation Seminar and the Neurosciences Nurses Network conference.

DISCHARGE FROM HOSPITAL

In October 2009 the Authority convened a working party to review the discharge procedure from the rehabilitation units for adult participants in the Scheme. This was in response to feedback received from the main discharging units. The working party had representatives from:

- Royal North Shore Spinal Unit
- Moorong Spinal Unit
- Prince of Wales Spinal Unit
- Liverpool Brain Injury Unit
- Ryde Brain Injury Service
- Westmead Brain Injury Service
- Hunter Brain Injury Service
- Spinal Outreach Service.

The new procedure aims to make certain that participants receive the services they require when they leave hospital and to streamline processes and paperwork for the discharging unit. The Authority has pre-approved a limited number of services for a participant to access on discharge back to the community. This allows service providers to start delivering pre-approved services immediately, without waiting for approval. The new procedure was implemented on 1 March 2010 and feedback from service providers has been positive.

The Authority convened a similar working party to review the process for paediatric participants. This working party had representatives from:

- The Children's Hospital at Westmead
- Sydney Children's Hospital
- Hunter Paediatric Brain Injury Rehabilitation Team
- Northcott Disability Services.

The paediatric working party decided to adopt a similar procedure as the adult services and it is being applied from 1 July 2010.



WEBSITE

The Lifetime Care and Support Authority, in association with the Office of the Motor Accidents Authority, conducted a review of its website. The website is a key point of communication with participants and service providers. Changes were made to the website to improve accessibility for people with visual impairments, and to streamline the presentation of information.

PARTICIPANTS WHO LIVE INTERSTATE AND OVERSEAS

The Authority has participants who live in other states and overseas and is keen to ensure that the services they receive meet their needs. The State based compensation schemes, the Lifetime Care and Support Authority and the Accident Compensation Commission of New Zealand are considering better ways to manage our respective participants or claimants in other jurisdictions. The Accident Compensation Commission and the Authority have a memorandum of understanding that allows Lifetime Care and Support participants living in New Zealand to access the Accident Compensation Commission's service providers.

To assist with the supply of services to participants living in other countries, a contract has been signed with an agent who will find local service providers, arrange medical reviews of participants and pay accounts.

PURCHASE OF HOUSES

The Authority purchased and modified two houses suitable for people requiring 24 hour care. The house at Revesby is tenanted by two participants and the modifications for the house at Rosemeadow are near completion. The participants living in the Revesby house share the household costs and the attendant care and other health services required by the participants are paid for by the Authority.

APPROVED SHARED IN-HOME SUPPORT

The Authority's panel of attendant care providers were invited to submit proposals to manage the houses and provide the attendant care services for the participants in the house. Two providers were selected and are providing or will be providing the shared in-home support for the participants. Further opportunities in the future to provide shared in-home support services for Scheme will be through the panel of attendant care providers.

HOME MODIFICATIONS

In the past year the Authority has continued to review and update its home modification process and procedures to improve the quality of the service by reducing time taken to complete the home modifications for participants and improve cost effectiveness for the Scheme. A panel of approved occupational therapists with extensive experience in major home modifications and a panel of three project management services were developed. The Authority's processes for home modifications were reviewed during the year and several changes made including development of clearer role descriptions for the project managers and approved assessors and break down of the process into four distinct easy to manage phases. The Authority implemented the requirement that the occupational therapist and project manager complete joint assessments and meet with the participant to discuss recommendations before submitting them to the Authority. This change has significantly improved communication between all parties, thereby, reducing significant delays which had previously been occurring.

FOLLOW-UP OF COMMUNITY PARTICIPANT PROGRAM

The Community Participation Project was funded by the Motor Accidents Authority and transferred to the Lifetime Care and Support Authority in 2006. NSW Health, Department of Ageing Disability and HomeCare, NSW Housing, Department of Education and Training, and Department of Transport all agreed to work collaboratively to improve how each person with spinal cord injury accessed their services. The two year follow-up of this project concluded:

"There is continuing improved participation for the high impairment group who had the assistance of participation coordinators, with significant improvement in the occupation domain and independent living skills. There were significant improvements in health related quality of life in the mental and general health areas and greater anxiety control. Significantly fewer people in the intervention group (19 per cent) compared to the control group required readmission to hospital between two and five years after initial discharge".

CASE MANAGEMENT SYSTEM

Navigator is the Authority's case management system used by staff to manage all participant related activities. It is a key work tool, integral to the coordination, delivery and payment of services for Scheme participants.

During the past year two major projects have been undertaken, enhancing Navigator to better meet business needs and improve efficiency. The first project involved significant changes to the system, aligning the tool with the Authority's work practices. Changes resulted in improved useability, data integrity, automation and reporting capacity.

The second project was the integration of Navigator with the Authority's financial systems. This work enhanced the activity of certifying, approving, paying and tracking provider invoices. This has reduced duplication and enabled prompt payment of invoices to providers who work with our participants.

Staff have welcomed the changes and have reported the improvements saving them time and better supporting their work with participants and service providers.

THE SCHEME IS AFFORDABLE AND PRUDENTLY MANAGED

REDUCED LEVY

The Authority reduced the levy on motorists by 2.8 per cent from 1 February 2009 and a further 3.5 per cent reduction from 15 August 2009.

SOUND INVESTMENT POLICY

The Lifetime Care Fund is invested in a portfolio managed by NSW Treasury Corporation (TCorp). The fund investments are held in cash and A rated bonds. The Authority's Bond Portfolio Fund was subject to market volatility during the year as a result of repercussions from the global financial crisis but over the whole year performed above benchmark. The Cash Portfolio exceeded benchmark performance measures for the year while the Authority's emerging Growth Portfolio was subject to market losses during the latter half of the year. Overall, the Authority's combined portfolios achieved a favourable result to both budget and benchmark.

REVIEW OF INVESTMENT POLICY

The Board of the Authority reviews investment strategy regularly and as the Scheme grows, the Strategy is moving to a maturity phase reflecting long term growth ideals. Access Economics provided advice to the Board on long term economic trends, Mercer Consulting on investment and asset allocation strategies, and TCorp are fund managers for cash, bond and growth portfolios. Given the long term nature of liabilities the Board determined not to make any significant change to investment policy.

PRUDENTIAL MARGIN

The Board of the Authority recognised the uncertainty around the valuation of liability and determined to hold a minimum retained equity approximating 10 per cent of total liabilities which is reflected in annual accounts. The Board has undertaken a Scheme risk assessment and is progressing this through its advisors in order to determine the probability of adequacy of funds to hold a margin sufficient to identify any adverse trend and time to rectify this.

LIFETIME CASHFLOW CALCULATOR

The Authority has been working with the consulting actuary to develop the lifetime cashflow calculator which provides individual life budgets over short, medium and long term horizons for each participant and group. This is also being used to price buy-in under a proposed Scheme extension.

SCHEME COSTS CONTROL

The Authority continues to review Scheme costs particularly those associated with care and recent increases in attendant care costs are reflected in actuarial liability valuations.

BULK BILLING AGREEMENT

The Lifetime Care and Support Authority, together with the Motor Accidents Authority, continues to utilise a bulk billing agreement with the Minister for Health and Health Administration Corporation for payment for ambulance and acute care in public hospitals.

FINANCIAL MANAGEMENT SYSTEM

The Authority's corporate service provider continued work to integrate case management systems with main financial ledgers. This is reflected in continuous improvement in payment performance and cost provisioning.



SCHEME OVERVIEW

A feature of the NSW Compulsory Third Party Scheme that provides significant benefits to the community is the Lifetime Care and Support Scheme which is administered by the Lifetime Care and Support Authority. It provides treatment, rehabilitation and attendant care services to people severely injured in motor accidents in NSW, regardless of who was at fault in the accident.

The Lifetime Care and Support Scheme began for children under 16 on 1 October 2006, and was extended to include adults from 1 October 2007. People eligible to participate in the Scheme include those suffering a spinal cord injury, moderate to severe brain injury, multiple amputations, severe burns, or blindness as a result of the accident.

As of 30 June 2010 the Authority had accepted 418 people into the Scheme. Of these, nine people have died and 19 have left the Scheme (no longer a participant of the Scheme) leaving 390 participants in the Scheme. Sixty five of these have been in the Scheme for two years or more and will continue to require its services.



LIFETIME CARE AND SUPPORT PARTICIPANTS BY ACCIDENT YEAR AS AT JUNE 2010

Children make up approximately 12 per cent of all Scheme participants. Almost 70 per cent of adults in the Scheme are male, as are 65 per cent of children.

ACCIDENT YEAR	ADULTS			CHILDREN		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
October 06 – September 07	0	0	0	3	5	8
October 07 – September 08	91	27	118	5	6	11
October 08 – September 09	86	53	139	15	3	18
October 09 – June 10	62	25	87	7	2	9
TOTAL	239	105	344	30	16	46

Data as at June 2010

PARTICIPANT'S ROLE IN ACCIDENT

CHILDREN

Over half the children in the Scheme were passengers in vehicles at the time of the crash while almost a third of children were pedestrians.

	TOTAL	PERCENTAGE
ROLE IN ACCIDENT		
Passenger	24	52.2
Pedestrian	13	28.3
Cyclist	4	8.7
Driver	2	4.3
Other	2	4.3
Motorcycle rider	1	2.2
TOTAL	46	100

ADULTS

Over one third of adults in the scheme were drivers in vehicles at the time of the crash.

	TOTAL	PERCENTAGE
ROLE IN ACCIDENT		
Driver	119	34.6
Motorcycle rider	81	23.5
Pedestrian	65	18.9
Passenger	64	18.6
Cyclist	12	3.5
Pillion passenger	2	0.6
Other	1	0.3
TOTAL	344	100

Data as at June 2010

SCHEME PARTICIPANT INJURY TYPE

CHILDREN

Almost 87 per cent of children suffered Traumatic Brain Injury from the crash.

	TOTAL	PERCENTAGE
TYPE OF INJURY		
Traumatic brain injury	40	86.96
Spinal cord injury	6	13.04
TOTAL	46	100

ADULTS

Almost 78 per cent of adults suffered traumatic brain injury from the crash.

	TOTAL	PERCENTAGE
TYPE OF INJURY		
Traumatic brain injury	266	77.33
Spinal cord injury	72	20.93
Traumatic brain and spinal cord injury	1	0.29
Amputations	3	0.87
Severe burns (1 with spinal cord injury)	2	0.58
TOTAL	344	100

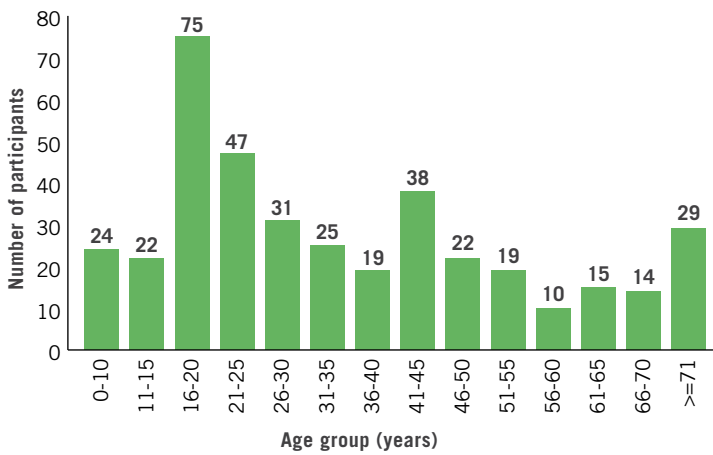
	ADULT	CHILD
TYPE OF INJURY		
Traumatic brain injury	266	40
Spinal cord injury	72	6
Other	6	0

Data as at June 2010

AGE OF SCHEME PARTICIPANTS

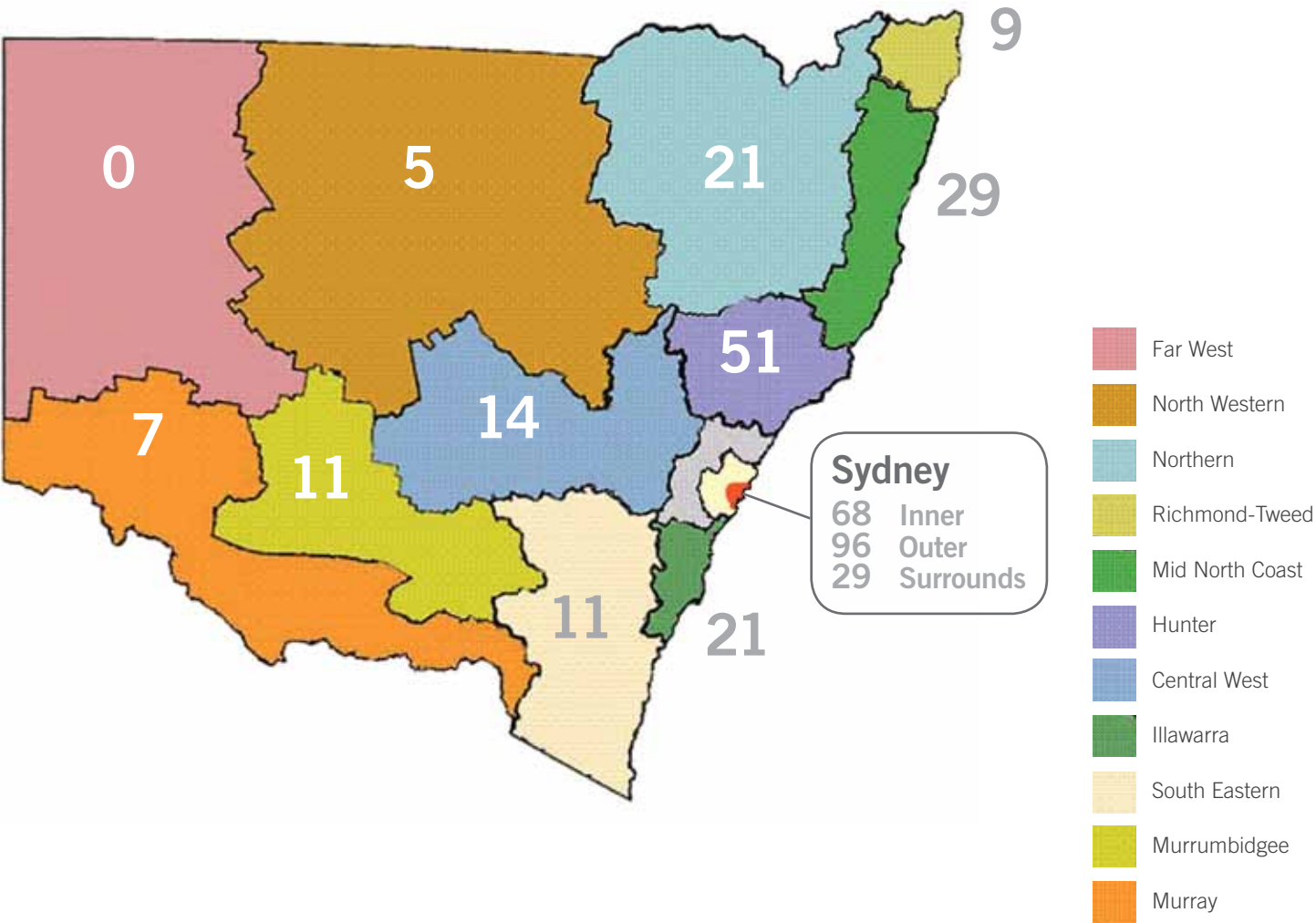
The age group with the strongest representation is 16 to 20 years which includes almost 20 per cent of all participants in the Scheme. This is followed by the age group directly above (21 to 25 years) with over 12 per cent of participants.

Data as at June 2010



PARTICIPANT RESIDENTIAL REGION

GEOGRAPHICAL LOCATION OF PARTICIPANTS AS AT 30 JUNE 2010



Data as at June 2010

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STATEMENT BY MEMBERS OF THE BOARD



STATEMENT BY THE MEMBERS OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 30 JUNE 2010

Under section 41C of the Public Finance and Audit Act 1983

- We certify that the financial statements for Lifetime Care and Support Authority of New South Wales have been prepared in compliance with the Public Finance and Audit Act 1983, Treasurer's Directions and the Public Finance and Audit Regulation 2010 and in compliance with Australian Accounting Standards, which include Australian Accounting Interpretations.
- In our opinion the financial statements exhibit a true and fair view of the financial position and performance of the Lifetime Care and Support Authority of New South Wales.
- At the date of signing these financial statements, we are not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.

A handwritten signature in black ink, appearing to read "N. Whitlam".

NICHOLAS WHITLAM
Chairman
Board of Directors

A handwritten signature in black ink, appearing to read "D. Bowen".

DAVID BOWEN
Executive Director
Lifetime Care and Support Authority of NSW

A handwritten signature in black ink, appearing to read "Lisa Hunt".

LISA HUNT
Chief Executive Officer
Compensation Authorities Staff Division

Dated at Sydney this 12th day of October 2010

INDEPENDENT AUDITOR'S REPORT



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Lifetime Care and Support Authority of New South Wales

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Lifetime Care and Support Authority of New South Wales (the Authority), which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the Authority as at 30 June 2010, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

Significant Uncertainty Regarding the Provision for participants' care and support services

Without qualification to the opinion expressed above, I draw attention to the provision for participants' care and support services disclosed in Note 14. There is significant uncertainty associated with the estimate of the provision and the related expense item because of the long term nature of the provision and limited participants' experience to date. This uncertainty will remain until sufficient participants' experience is available.

The Board's Responsibility for the Financial Statements

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Authority's preparation and fair presentation of the financial statements 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 Authority's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance:

- about the future viability of the Authority,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



Heather Watson
Director, Financial Audit Services

18 October 2010
SYDNEY

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2010

	NOTE	2010 \$'000	2009 \$'000
REVENUES			
CTP premium levy	2	361,683	327,562
CTP penalty interest		253	–
Grants		–	17,000
Investment revenue		50,515	9,131
TOTAL REVENUE		412,451	353,693
EXPENSES EXCLUDING LOSSES			
Participants care and support expenses	3	465,393	350,413
Operating expenses			
Personnel services	4	4,383	3,255
Other operating expenses	5	3,662	2,283
Rehabilitation, road safety grants and sponsorship		1,405	673
Other expenses	6	1,523	1,091
TOTAL EXPENSES EXCLUDING LOSSES		476,366	357,715
Net decrease in non-current asset revaluation	7	(1,218)	
DEFICIT FOR YEAR		(65,133)	(4,022)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(65,133)	(4,022)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2010

	NOTE	2010 \$'000	2009 \$'000
CURRENT ASSETS			
Cash and cash equivalents	8	601,662	451,010
Receivables	9	43,879	35,633
TOTAL CURRENT ASSETS		645,541	486,643
NON-CURRENT ASSETS			
Financial assets	10	481,807	280,743
Property, plant and equipment	11	5,679	4,575
Intangible assets	12	2,360	861
TOTAL NON-CURRENT ASSETS		489,846	286,179
TOTAL ASSETS		1,135,387	772,822
CURRENT LIABILITIES			
Payables	13	5,452	5,283
Provisions	14	61,042	21,797
TOTAL CURRENT LIABILITIES		66,494	27,080
NON-CURRENT LIABILITIES			
Provisions	14	978,026	589,742
TOTAL NON-CURRENT LIABILITIES		978,026	589,742
TOTAL LIABILITIES		1,044,520	616,822
NET ASSETS		90,867	156,000
EQUITY			
Accumulated funds		90,867	156,000
TOTAL EQUITY		90,867	156,000

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2010

	NOTE	2010 \$,000	2009 \$,000
CASH FLOWS FROM OPERATING ACTIVITIES		INFLOWS/ (OUTFLOWS)	INFLOWS/ (OUTFLOWS)
Payments			
Payments to suppliers		(48,726)	(25,815)
Rehabilitation, road safety grants and sponsorships		(1,405)	(673)
TOTAL PAYMENTS		(50,131)	(26,488)
Receipts			
Receipts from licensed insurers		355,281	324,401
Grants		–	17,000
Interest received and other income		51,011	8,761
TOTAL RECEIPTS		406,292	350,162
NET CASH FLOWS FROM OPERATING ACTIVITIES	18	356,161	323,674
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(2,734)	(478)
Payments for intangible assets		(1,711)	(550)
Payments for investment		(201,064)	(129,956)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(205,509)	(130,984)
NET INCREASE IN CASH AND CASH EQUIVALENTS		150,652	192,690
Opening cash and cash equivalents		451,010	258,320
CLOSING CASH AND CASH EQUIVALENTS	18	601,662	451,010

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2010

	ACCUMULATED FUNDS \$'000	TOTAL \$'000
FOR THE YEAR ENDED 30 JUNE 2010		
Balance at 1 July 2009	156,000	156,000
Deficit for the year	(65,133)	(65,133)
BALANCE AT 30 JUNE 2010	90,867	90,867

FOR THE YEAR ENDED 30 JUNE 2009		
Balance at 1 July 2008	160,022	160,022
Deficit for the year	(4,022)	(4,022)
BALANCE AT 30 JUNE 2009	156,000	156,000

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 1

Summary of significant accounting policies

(a) REPORTING ENTITY

The Lifetime Care and Support Authority of NSW (LTCSA) is a statutory authority established by the *Motor Accidents (Lifetime Care and Support) Act 2006* which came into effect 1 July 2006. LTCSA is responsible for the administration of the Lifetime Care and Support Scheme (Scheme) which provides treatment, rehabilitation, care and support services to persons catastrophically injured in motor accidents in NSW.

The Scheme applies to children under 16 years of age for injuries in motor accidents occurring from 1 October 2006, and to adults for injuries in motor accidents occurring from 1 October 2007.

From 1 July 2006, LTCSA also took over the administration of the Community Participation Project (CPP), previously administered by Motor Accidents Authority. CPP is a controlled pilot project which provides coordination services to working age adults who have sustained spinal cord injuries before 1 October 2006.

LTCSA is a not-for-profit entity (as profit is not its principal objective) and has no cash generating units. The Authority is consolidated as part of the NSW Total State Sector Accounts. It is domiciled in Australia and its principal office is at Level 24, 580 George Street, Sydney. The financial statements for the year ended 30 June 2010 have been authorised for issue by the Board on 12 October 2010.

(b) BASIS OF PREPARATION

The Authority's financial statements are a general purpose financial statement which have been prepared in accordance with:

- applicable Australian Accounting Standards (which include UIG Interpretations)
- requirements of the *Public Finance and Audit Act 1983* and the *Public Finance and Audit Regulation 2005*, and
- applicable Treasurer's Directions.

These financial statements have been prepared on the basis of historical cost, except for certain financial instruments and provisions.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) STATEMENT OF COMPLIANCE

The financial statements and notes comply with Australian Accounting Standards, which include UIG Interpretations.

(d) INSURANCE

The Authority's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for government agencies. The expense (premium) is determined by the fund manager based on past claims experience.

(e) ACCOUNTING FOR GOODS AND SERVICES TAX (GST)

Revenue, expenses, assets and liabilities are recognised net of GST, except that:

- the amount of GST incurred by the Authority as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense, and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing activities which is recoverable from or payable to the Australian Taxation Office are classified as operating cash flows.

Commitments are stated with the amount of GST included.

(f) INCOME RECOGNITION

Income encompasses both revenue and gains. Revenue arises in the course of the ordinary activities of the Authority and is referred to premium levy and penalty interest. Gains represent other items that meet the definition of income and may, or may not, arise in the course of the ordinary activities of an entity.

Income is measured on an accrual basis at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

(i) CTP premium levy

The LTCSA's funds were generated from levies on Compulsory Third Party (CTP) insurance premiums collected by licensed insurers in accordance with notices issued in accordance with Section 50(5) of the *Motor Accidents (Lifetime Care and Support) Act 2006*. The levy rates are set according to vehicle class and region. CTP levy revenue is recognised when it falls due and receivable by the Authority.

The levies were used to meet the expenses of LTCSA's operations under the *Motor Accidents (Lifetime Care and Support) Act 2006*.

CTP premium levy includes the revenue generated from the increase in levy rates effective on policies from 1 April 2007 to accumulate funds for future liabilities to cover adult participants entitlements resulting from accidents occurring from 1 October 2007.

Funds are kept in interest bearing investment accounts in accordance with the *Motor Accidents (Lifetime Care and Support) Act 2006* and the *Public Authorities (Financial Arrangements) Act 1987*.

(ii) Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 1

Summary of significant accounting policies (continued)

(iii) Other gains/(losses)

Gains represent other items that meet the definition of income and may, or may not, arise in the course of the ordinary activities of an entity. Gains represent increases in economic benefits and as such are no different in nature from revenue. Gains include, for example, those arising on the disposal of non-current assets and unrealised gains/(losses) arising on the revaluation of marketable securities.

Losses are the opposite of gains which represent decreases in economic benefits and as such are no different in nature from expenses.

(g) ASSETS

(i) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Authority. Cost is the amount of cash and cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition, or where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the amount for which an asset can be exchanged between knowledgeable, willing parties in an arm's length transaction.

(ii) Capitalisation threshold

With effect from 1 January 2010, all property, plant and equipment and intangible assets costing \$5000 and above individually (or forming part of a network) are capitalised. Prior to that, the threshold was \$1000.

(iii) Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the *Valuation of Physical Non-Current Assets at Fair Value policy and Guidelines* paper (TPP 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial, social-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Authority revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. Refer to Note 7 for more details about the latest revaluation assignment done.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current price for assets newer than those being revalued (adjusted to present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognized as an expense, the increment is recognised immediately as revenue in the Statement of Comprehensive Income.

Revaluation decrements are recognised immediately as expenses, except that to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of the asset is transferred to accumulated funds.

(iv) Impairment of plant and equipment

As a not-for-profit entity with no cash generating units, the Authority is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 1

Summary of significant accounting policies (continued)

(v) Depreciation of property, plant and equipment

Depreciation is provided for on a diminishing balance basis for all depreciable assets purchased before 1 January 2010 so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority. All material separately identifiable components of assets are depreciated over their shorter useful lives. The following depreciation rates were used:

	ON OR AFTER 1 JANUARY 2010 %	BEFORE 1 JANUARY 2010 %	2009 %
Building	4	4	4
Leasehold improvements	Shorter of 10 years or over lease term		
Motor vehicles	25	25	25
Office equipment	25	20	20
Office furniture and fittings	20	20	20

All assets purchased before 1 January 2010 will continue being depreciated using old rates and via diminishing-value method and all new assets purchased after 1 January 2010 will be depreciated using the new rates and via straight-line method.

(vi) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(vii) Intangible assets

The Authority recognises intangible assets only if it is probable that future economic benefits will flow to the Authority and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost.

Intangible assets are computer software and recorded at cost less accumulated amortisation and impairments. Amortisation has not been charged against assets that are still at work-in-progress status because they are not ready for utilisation.

The useful lives of intangible assets are assessed to be finite. No amortisation is charged on intangible assets until they are ready for use. The Authority charges amortisation on intangible assets using the straight-line method over a period of three years.

The Authority reviews its amortisation rate and method on an annual basis.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Authority's intangible assets, the assets are carried at cost less any accumulated amortisation.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

(viii) Investments

Investments are initially recognised at fair value. The Authority determines the classification of financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Gains or losses on these assets are recognised through surplus or deficit.

The Hour-Glass Investment Facility is designated at fair value through surplus or deficit using the second leg of the fair value option ie these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about these assets is provided internally on that basis to the Authority's key management personnel.

The movement in the fair value of the Hour-Glass Investment Facility incorporates distributions received as well as unrealised movements in fair value and is reported in the line item 'investment revenue'.

(ix) De-recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire, or if the Authority transfers the financial asset:

- where substantially all the risks and rewards have been transferred,
- where the Authority has not transferred substantially all the risks and rewards, if the Authority has not retained control.

Where the Authority has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Authority's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

(x) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted through surplus or deficit when impaired.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 1

Summary of significant accounting policies (continued)

(xi) Other assets

Other assets are recognised on a cost basis.

(h) LIABILITIES

(i) Payables

These amounts represent liabilities for goods and services provided to the Authority and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Personnel services payable

The Authority receives personnel services from the Compensation Authorities Staff Division (CASD). The Authority is responsible for paying payroll tax and other employee benefits including on-costs while CASD is responsible for all other related administrative services. CASD is a not-for-profit entity with no net assets.

In the Authority's financial statements, any on-going obligations related to CASD's staff providing personnel services to the Authority are shown as Payable to Service Entity under the heading of Provisions in the Statement of Financial Position.

The Authority used to receive personnel services from the Office of the Motor Accidents Authority of NSW (OMAA) up to 30 June 2009 when OMAA was abolished under the *Public Sector Employment and Management (Departmental Amalgamation) Order 2009*. All branches and services of OMAA were then transferred to CASD from 1 July 2009.

Salaries and wages, annual leave, sick leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

Long service leave and superannuation

The provision recognised is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligations, its carrying amount is the present value of these cash flows.

The superannuation expense for the financial year is determined by using the formula specified in Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions. At the end of the financial year, the superannuation expenses and the related liabilities are further adjusted based on actuarial advice.

(iii) Make-good provision (building lease)

Make-good provision is recognised for the estimate of future payments for make good upon the termination of the leases of the current office premises.

(iv) Provisions for participants' care and support services

The liabilities for participants' care and support services are valued by the Actuaries as at the end of the reporting period. They are measured as the present value of the expected future payments for all claims incurred up to the valuation date.

(v) Other provisions

Other provisions are recognised when the entity has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

(i) COMPARATIVE INFORMATION

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(j) NEW AUSTRALIAN ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE

A number of Australian Accounting Standards are not yet effective and have not been applied. These new standards do not have any direct impacts on the financial performance or position.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

Note 2

CTP premium levy

	2010 \$'000	2009 \$'000
CTP premium levy	360,220	327,562
CTP premium levy shortfall	1,463	–
TOTAL	361,683	327,562

The above CTP premium levy includes accrued levy of \$40.245 million for the month of June 2010 and \$35.128 million for the month of June 2009. Refer to Note 1(f) for more details about policy on income recognition.

Note 3

Participants care and support expenses

	2010 \$'000	2009 \$'000
EXPENSES		
Attendant care	9,226	3,104
Hospital	15,111	14,507
Medical	2,408	1,874
Rehabilitation	5,713	2,639
Home modifications	1,146	536
Equipment	2,515	1,314
Expenses	2,248	1,059
Total expenses	38,367	25,033
Provision for participants' care and support services	427,026	325,380
TOTAL	465,393	350,413

Note 4

Personnel services

	2010 \$'000	2009 \$'000
Permanent and temporary salaries	1,726	899
Co-coordinators salaries	1,498	839
Payroll tax	185	94
Employer's superannuation	320	207
Superannuation – Defined benefit superannuation movement in unfunded liability	(65)	727
Other salary components	719	489
TOTAL	4,383	3,255

Note 5

Other operating expenses

	2010 \$'000	2009 \$'000
Rent and related costs	629	487
Corporate services	1,366	720
Computer software/expended hardware/maintenance	274	54
Contractors	263	189
Asset management fees	788	489
Other miscellaneous expenses	342	344
TOTAL	3,662	2,283

Note 6

Other expenses

	2010 \$'000	2009 \$'000
Consultancy fees	635	388
Advertising, promotion, publicity	11	16
Audit fees	124	187
Council members' fees	22	111
Board members' fees	107	102
Depreciation and amortisation	624	287
TOTAL	1,523	1,091

AUDIT FEES

Annual audit fees comprise \$69,160 (2009: \$136,995) paid and/or payable to the Internal Audit Bureau for internal audit and \$54,875 (2009: \$50,560) paid and/or payable to the Audit Office of NSW for auditing the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 7

Net decrease in asset revaluation

During the financial year, the Authority engaged an independent valuer being MVS Valuers Australia Pty Ltd to revalue its property at 5 Lachlan Avenue, Sylvania NSW 2224 using 'fair value' principles in accordance with the Valuation of *Physical Non-current Assets at Fair Value* policy and Guidelines paper (TPP07-1).

The valuation of land is based on market values while the valuation of buildings is based on highest and best use principles. The valuer made reference to observable recent market transactions on an arm's length term.

Refer to Note 11 for further details about financial impacts and movements as a result of this revaluation assignment.

Note 8

Cash and cash equivalents

Cash comprises cash on hand and on-demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insufficient risk of changes in value and have a maturity of three months or less at the date of acquisition.

	2010 \$'000	2009 \$'000
Cash at bank and on hand	5,389	4,077
Investments – TCorp Hour-Glass Cash Facility	17,768	17,013
Investments – TCorp Cash Portfolio	578,505	429,920
TOTAL	601,662	451,010

Cash at bank and on hand earns interest at floating rates based on daily bank deposit rates. The weighted average interest rate on cash was 3.02 per cent (2009: 4.19 per cent) and on the cash investments with TCorp was 4.69 per cent (2009: 6.13 per cent).

The investments of \$17.768 million in TCorp Hour-Glass Cash Facility are restricted cash assets. They represent cash received (plus interest) from Motor Accidents Authority of NSW and was held in escrow for financing the Sargood Centre and Tramshed projects.

Note 9

Receivables

	2010 \$'000	2009 \$'000
CURRENT		
CTP levy income receivable	41,530	35,128
GST receivable	134	–
Other receivables	2,215	505
TOTAL	43,879	35,633

Receivables are non-interest bearing and are generally on 30-day terms.

Note 10

Financial assets

	2010 \$'000	2009 \$'000
NON-CURRENT		
Investments – TCorp Bond Portfolio	388,926	280,743
Investments – TCorp Australian Shares (active)	44,655	–
Investments – TCorp International Shares (Active)	48,226	–
TOTAL	481,807	280,743

Interest rate on TCorp Bond was 10.49 per cent (2009: -2.19 per cent).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

Note 11

Property, plant and equipment

	LAND AND BUILDINGS \$'000	LEASEHOLD IMPROVEMENTS \$'000	OFFICE FURNITURE AND EQUIPMENT \$'000	MOTOR VEHICLE \$'000	TOTAL \$'000
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SCHEDULE OF NON-CURRENT ASSETS AS AT 30 JUNE 2010

At gross carrying value	4,333	1,677	269	174	6,453
Accumulated depreciation	(112)	(376)	(255)	(31)	(774)
FAIR VALUE AT END OF YEAR	4,221	1,301	14	143	5,679

SCHEDULE OF NON-CURRENT ASSETS AS AT 30 JUNE 2009

At gross carrying value	3,459	1,237	269	22	4,987
Accumulated depreciation	(109)	(204)	(99)	–	(412)
FAIR VALUE AT END OF YEAR	3,350	1,033	170	22	4,575

RECONCILIATION OF FAIR VALUE DURING THE REPORTING PERIOD

Fair value at start of year	3,350	1,033	170	22	4,575
Acquisitions	2,142	440	–	152	2,734
Depreciation	(53)	(172)	(156)	(31)	(412)
Revaluation decrement	(1,218)	–	–	–	(1,218)
FAIR VALUE AT END OF YEAR	4,221	1,301	14	143	5,679

RECONCILIATION OF FAIR VALUE AT START AND END OF YEAR 2008/09

Fair value at start of year	3,332	864	188	–	4,384
Acquisitions	60	267	22	22	371
Depreciation	(42)	(98)	(40)	–	(180)
FAIR VALUE AT END OF YEAR	3,350	1,033	170	22	4,575

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

Note 12

Intangible assets

	COMPUTER SOFTWARE \$'000	COMPUTER SOFTWARE WIP \$'000	TOTAL \$'000
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SCHEDULE OF NON-CURRENT ASSETS AS AT 30 JUNE 2010

At gross carrying value	905	1,775	2,680
Accumulated amortisation	(320)	–	(320)
COST AT END OF YEAR	585	1,775	2,360

SCHEDULE OF NON-CURRENT ASSETS AS AT 30 JUNE 2009

At gross carrying value	644	324	968
Accumulated amortisation	(107)	–	(107)
COST AT END OF YEAR	537	324	861

RECONCILIATION OF THE COST AT START AND END OF THE REPORTING PERIOD

Cost at start of year	537	324	861
Acquisitions	–	1,711	1,711
Transferred to computer software	260	(260)	–
Amortisation	(212)	–	(212)
COST AT END OF YEAR	585	1,775	2,360

RECONCILIATION OF THE COST AT START AND END OF YEAR 2008/09

Cost at start of year	–	311	311
Acquisitions	–	657	657
Transferred to computer software	644	(644)	–
Amortisation	(107)	–	(107)
COST AT END OF YEAR	537	324	861

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

Note 13

Payables

	2010 \$'000	2009 \$'000
CURRENT		
Other payables and accruals	5,452	5,283
TOTAL	5,452	5,283

Other payables are non-interest bearing and normally settled on 30-day terms.

Note 14

Provisions

	2010 \$'000	2009 \$'000
CURRENT		
Payable to service entity	2,017	1,514
Provision for participants' care and support services	59,025	20,283
TOTAL	61,042	21,797
NON-CURRENT		
Provision for participants' care and support	977,827	589,543
Make-good provision (building lease)	199	199
TOTAL	978,026	589,742

PROVISION FOR PARTICIPANTS' CARE AND SUPPORT SERVICES

Under the *Motor Accidents (Lifetime Care and Support) Act 2006*, Lifetime Care and Support Authority meets participants' care and support services for severely injured persons from motor accidents. Entitlement to these services commenced for children under 16 years of age from 1 October 2006 and for adults from 1 October 2007. At 30 June 2010, liabilities for all claims incurred up to this date to the scheme were valued by the actuaries PricewaterhouseCoopers Actuarial after discounting.

The liability for participants' care and support services are measured as the present value of the expected future payments. Based on an actuarial valuation in June 2010 by the actuaries PricewaterhouseCoopers Actuarial, the expected cash flows at discounted values to meet future liabilities were:

	2010 \$'000	2009 \$'000
Not later than one year	59,025	20,283
Later than one year but not later than five years	151,553	66,826
Later than five years	826,274	522,717
TOTAL	1,036,852	609,826

A reconciliation of the liabilities at the start and end of the reporting period is set out below:

	2010 \$'000	2009 \$'000
Liability at 1 July	609,826	284,447
Paid in the year on claims incurred prior to 30 June	(15,341)	(13,423)
Expected payments in 3 months to 30 June on claims incurred prior to 30 June	(10,274)	(3,192)
Unwinding of discount	35,669	19,154
Actuarial (gains)/losses	31,191	(10,831)
New claims since 30 June	385,781	333,672
LIABILITY AT 30 JUNE	1,036,852	609,826

In estimating the future liability for care costs in Statement of Financial Position, the Board has recognised the inherent uncertainty with actuarial projections and has agreed to the retention of an amount of retained equity equivalent to 10 per cent of liabilities at 30 June 2010.

The following inflation rates and discount factors were used in measuring the liability for outstanding participants' care and support costs:

	2010		2009	
YEAR	INFLATION RATE	INVESTMENT RETURN RATE	INFLATION RATE	INVESTMENT RETURN RATE
2010	4.00%	6.00%	4.00%	6.00%
2011	4.00%	6.00%	4.00%	6.00%
2012	4.00%	6.00%	4.00%	6.00%
2013	4.00%	6.00%	4.00%	6.00%
2014	4.00%	6.00%	4.00%	6.00%
2015	4.00%	6.00%	4.00%	6.00%
2016	4.00%	6.00%	4.00%	6.00%
2017 and later	4.00%	6.00%	4.00%	6.00%
EQUIVALENT TO A SINGLE RATE	4.00%	6.00%	4.00%	6.00%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 14

Provisions (continued)

WEIGHTED MEAN TERM

	2010	2009
	YEARS	YEARS
Uninflated, undiscounted	24.38	23.5
Inflated, discounted	19.75	16.9

SENSITIVITY ANALYSIS FOR THE VALUATION AS AT 30 JUNE 2010

The liability represents the best estimate and is based on standard actuarial assessment. The table below shows sensitivities to the valuation. Uncertainty exists due to the long term nature of the liabilities and volatility around the number of Scheme participants and their injury severity. The Authority expects the uncertainty to continue to diminish significantly over the next three to five years.

	30 JUNE LIABILITY \$M	EFFECT ON 30 JUNE LIABILITY \$M	PERCENTAGE EFFECT %
ITEM			
Central estimate of LTCSA Scheme			
All valuation assumptions described in this report	1,036.9		
Estimating number of claims eligible (interim and final) for LTCSA Scheme to be:			
(a) 15% higher than central estimate, no change to average claim size.	1,190.3	153.4	15
(b) 15% lower than central estimate, no change to average claim size.	883.4	-153.4	-15
Different long term gap assumptions*:			
(a) 1% pa lower for all future years	1,285.0	248.2	24
(b) 1% pa higher for all future years	856.1	-180.8	-17
Mortality assumptions:			
(a) 80% of assumed rates for all ages and years since injury	1,098.5	61.6	6
(b) 120% of assumed rates for all ages and years since injury	985.1	-51.8	-5
Different assumed impact of the new attendant care award (12% increase)			
(a) No increase due to new award	944.7	-92.2	-9
(b) Smaller increase than expected (at 10%)	1,021.5	-15.4	-1
(c) Greater increase than expected (at 15%)	1,059.9	23.0	2
Different levels of improvement in brain injury severity:			
(a) no improvement from 2 years after scheme entry	1,101.4	64.6	6
(b) twice as much improvement after 2 years as predicted	972.3	-64.6	-6

* A long-term gap of 2 per cent has been assumed to apply. This is based upon a long term rate of inflation of health sector costs of 4 per cent pa and a long term real rate of return of 6 per cent per annum. Superimposed inflation is assumed to equal to 0 per cent.

Superimposed inflation is commonly defined as increases in costs over time which are in excess of normal price or wage inflation. It may arise in the future due to a wide range of possible changes in the legislative, economic or behavioural environments which influence the Scheme.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 15

Operating lease commitments

Future non-cancellable operating lease rentals not provided for and payable (inclusive of GST):

	2010 \$'000	2009 \$'000
Not later than one year	597	431
Later than one year but not later than five years	2,379	1,725
Later than five years	812	1,151
TOTAL	3,788	3,307

Note 16

Grants expense commitments

Aggregate of grants commitments for injury management, and rehabilitation programs (inclusive of GST):

	2010 \$'000	2009 \$'000
Not later than one year	17,790	11,794
Later than one year but not later than five years	12,723	20,411
TOTAL	30,513	32,205

An integral part of the Scheme is a commitment to effective injury management and rehabilitation. This is supported by provisions, including section 43(3), in the *Motor Accidents (Lifetime Care and Support) Act 2006* that enable LTCSA to fund initiatives that will improve delivery of care, treatment, rehabilitation, long term support and other services for persons who have sustained motor accident injuries.

Note 17

Contingent assets and liabilities

There were no known contingent assets or liabilities at 30 June 2010 (nil for 2009).

Note 18

Notes to the Statement of Cash Flows

(a) RECONCILIATION OF DEFICIT FOR THE YEAR TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2010 \$'000	2009 \$'000
Deficit for the year	(65,133)	(4,022)
Depreciation and amortisation	624	287
Net decrease in non-current asset revaluation	1,218	–
CHANGE IN ASSETS AND LIABILITIES		
Decrease/(Increase) in receivables: current	(8,246)	(3,530)
Increase/(Decrease) in payables: current	169	4,027
Increase/(Decrease) in provisions: current	39,245	7,575
Increase/(Decrease) in provisions: non-current	388,284	319,337
NET CASH FLOWS FROM OPERATING ACTIVITIES	356,161	323,674

(b) RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash at bank and on hand and highly liquid investments. Cash at the end of the financial year as shown on the Statement is reconciled to the related items in the Statement of Financial Position:

	NOTE	2010 \$'000	2009 \$'000
Cash and cash equivalents	8	601,662	451,010
TOTAL		601,662	451,010

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 19

Financial instruments

The Authority's financial instruments are outlined below. The financial instruments arise directly from the Authority's operation or are required to finance its operations. The Authority does not enter into or trade financial instruments, including derivative instruments, for speculative purposes.

The Authority's main risks arising from financial instruments are outlined below, together with its objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risk faced by the Authority to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee on a continuous basis.

(a) FINANCIAL INSTRUMENT CATEGORIES

	NOTE	CATEGORY	CARRYING AMOUNT 2010 \$'000	CARRYING AMOUNT 2009 \$'000
FINANCIAL ASSETS¹				
Cash and cash equivalents	8	N/A	601,662	451,010
Receivables	9	Receivables at amortised cost	2,215	505
Financial assets at fair value	10	At fair value though surplus or deficit	481,807	280,743
FINANCIAL LIABILITIES²				
Payables	13	Financial liabilities (at amortised cost)	5,428	5,283

1. Excludes statutory receivables and prepayments (ie not within scope of AASB 7).

2. Excludes statutory payables and unearned revenue (ie not within scope of AASB 7).

(b) CREDIT RISK

Credit risk arises when there is the possibility of the Authority's debtors defaulting on their contractual obligations, resulting in a financial loss to the Authority. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Authority, including cash and receivables. No collateral is held by the Authority. The Authority has not granted any financial guarantees.

Credit risk associated with the Authority's financial assets other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. The Authority's deposits held with NSW TCorp are guaranteed by the State and are AAA-rated by Standard & Poor's.

Cash

Cash comprises cash on hand and bank balances with the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to NSW Treasury. The TCorp Hour-Glass Cash Facility is discussed in paragraph (d) below.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 19 Financial instruments (continued)

Receivable – trade debtors

All trade debtors are recognised as amounts receivable at reporting date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for

impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors.

The Authority is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. As at 30 June 2010, some debtors are past due but they are determined not impaired (2009: nil past due).

The following table shows the credit rating of the Authority's investments at TCorp.

	BOND PORTFOLIO 2010 \$'000	BOND PORTFOLIO 2009 \$'000	CASH PORTFOLIO 2010 \$'000	CASH PORTFOLIO 2009 \$'000
CREDIT RATING*				
AAA	300,915	212,823	219,344	133,679
AA+	46,110	48,436	–	–
AA	41,443	18,799	354,084	249,894
AA-	–	–	–	39,917
A+	–	–	47	1,483
A	458	685	5,030	4,947
TOTAL	388,926	280,743	578,505	429,920

* Rating by Standards & Poor's and information provided by NSW Treasury Corporation (TCorp).

(c) LIQUIDITY RISK

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority continuously manages risk through monitoring future cash flows and investments planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of credit arrangements.

The Authority's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment.

The table below summarises the maturity profile of the Authority's financial liabilities, together with the interest rate exposure.

	WEIGHTED AVERAGE EFFECTIVE INT. RATE %	NOMINAL AMOUNT ¹ \$'000	INTEREST RATE EXPOSURE			MATURITY DATES		
			FIXED INTEREST RATE	VARIABLE INTEREST RATE	NON- INTEREST BEARING	<1 YR	1-5 YRS	>5 YRS
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2010 Payables	n/a	5,428	–	–	5,428	5,428	–	–
2009 Payables	n/a	5,283	–	–	5,283	5,283	–	–

1. The amount disclosed are the contractual undiscounted cash flows of each class of financial liabilities, therefore, the amount disclosed above may not reconcile to the Statement of financial position.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 19

Financial instruments (continued)

(d) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Authority's exposures to market risk are primarily through interest rate risk on the Authority's price risks associated with the movement in the unit price of the Hour-Glass Investment Facilities. The Authority has no direct exposure to foreign currency risk and does not enter into commodity contracts. The Authority's TCorp Bond Portfolio includes derivative instruments.

The effect on surplus or deficit due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic

environment in which the Authority operates and the time frame for the assessment (ie until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the reporting date. The analysis is performed on the same basis for 2009. The analysis assumes that all other variables remain constant.

Interest rate risk

Exposure to interest rate risk arises primarily through interest-bearing liabilities. The Authority does not have such exposure because it does not have any interest bearing liability nor does it hold or account for any fixed rate financial instruments at fair value through surplus or deficit or as available-for-sale. A reasonably possible change of percentage (as in table below) is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Authority's exposure to interest rate risk is set out below.

FINANCIAL ASSETS	SENSITIVITY CHANGES					
	CARRYING AMOUNT 2010 \$'000	SURPLUS/ DEFICIT 2010 \$'000	EQUITY 2010 \$'000	CARRYING AMOUNT 2009 \$'000	SURPLUS/ DEFICIT 2009 \$'000	EQUITY 2009 \$'000
+/- 1%						
Cash at band and on hand	5,389	54	–	4,077	40	–

Other price risk – TCorp investment facilities

Exposure to other price risk primarily arises through the investments in the TCorp Hour-Glass Investment Facilities, Bond and Cash Portfolios which are held for strategic rather than trading purposes. The Authority has no direct equity investments. The Authority holds units in the following investment trusts.

INVESTMENT SECTORS		2010 \$'000	INVESTMENT HORIZON	2009 \$'000	INVESTMENT HORIZON
FACILITY					
Cash Facility	Cash, money market instruments	17,768	up to 1.5 years	17,013	up to 1.5 years
TCorp Cash Portfolio	Cash, money market instruments	578,505	0.14 years	429,920	0.13 years
TCorp Bond Portfolio	Cash, money market instruments	388,926	10.9 years	280,743	11.55 years
TCorp Australian Shares (Active)	Australian Shares	44,655	5 to 7 years	–	n/a
TCorp International Shares (Active)	International Shares	48,226	5 to 7 years	–	n/a

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 19

Financial instruments (continued)

The unit price of each facility is equal to the total fair value of net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp as trustee for each of the above facilities and is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp acts as manager for part of the Cash Facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in Hour-Glass facilities limits the Authority's exposure to risk, as it allows diversification across a pool of funds, with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the investment facilities, using historically based volatility information collected over a ten-year period, quoted at two standard deviations (ie 95 per cent probability). The TCorp Hour-Glass investment facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on surplus or deficit (rather than equity). A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year for each facility (balance from Hour-Glass statement).

	CHANGE IN UNIT PRICE 2010 %	CHANGE IN UNIT PRICE 2009 %	IMPACT ON SURPLUS/DEFICIT	
			2010 \$'000	2009 \$'000
TCORP INVESTMENTS				
Hour-Glass Cash Facility	+/-1	+/-1	178	170
Australian Shares (Active)	+/-24	n/a	10,717	—
International Shares (Active)	+/-24	n/a	11,574	—

(e) FAIR VALUE COMPARED TO CARRYING AMOUNT

Financial instruments are generally measured at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. As discussed, the value of the Hour-Glass Investments is based on the Authority's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using 'redemption' pricing.

(f) FAIR VALUE RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The Authority uses the following hierarchy for disclosing the fair value of financial instruments by valuation technique:

Level 1 – Derived from quoted prices in active markets for identical assets

Level 2 – Derived from inputs other than quoted prices that are observable directly or indirectly

Level 3 – Derived from valuation techniques that include inputs for the assets not based on observable market data (unobservable inputs)

The valuation level has been determined on the basis of the lowest level input. The level classification for financial assets at fair value through surplus or deficit have been determined by the type of investments.

Level 1 financial instruments

The following financial assets were classified based on quoted yields from multiple rates sheet available in the market

- TCorp Cash Portfolio
- TCorp Bond Portfolio

Level 2 financial instruments

The following financial assets was classified based on observable prices although there is no active market exists for these facilities because they are only accessible to government agencies.

- TCorp Hour-Glass Cash Facility
- TCorp Australian Shares (Active)
- TCorp International Shares (Active)

The Authority did not have any level 3 financial instruments during the year ended 30 June 2010.

	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000	TOTAL \$'000
FINANCIAL ASSETS AT FAIR VALUE				
TCorp Hour-Glass Cash Facility	–	17,768	–	17,768
TCorp Cash Portfolio	578,505	–	–	578,505
TCorp Bond Portfolio – Derivatives	458	–	–	458
TCorp Bond Portfolio – Non-derivatives	388,468	–	–	388,468
TCorp Australian Shares (Active)	–	44,655	–	44,655
TCorp International Shares (Active)	–	48,226	–	48,226
TOTAL	967,431	110,649	–	1,078,080

The Authority did not transfer any financial instruments between level 1 and 2.

End of audited Financial Statements

INTERNAL AUDIT AND RISK MANAGEMENT STATEMENT

Internal Audit and Risk Management Attestation for the 2009-2010 Financial Year for the Motor Accidents Authority of NSW

I, David Bowen [Executive Director] am of the opinion that the Lifetime Care & Support Authority of NSW has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*. These processes provide a level of assurance that enables the senior management of the Lifetime Care & Support Authority of NSW to understand, manage and satisfactorily control risk exposures.

There are no controlled entities or subsidiaries and therefore no attestation required in this regard.



DAVID BOWEN
EXECUTIVE DIRECTOR
Department Head or in accordance with a
resolution of the Governing Board of the
Statutory Body

31/08/2010



STEPHEN PAYNE
CORPORATE SECRETARY
Contact Officer
Phone : 02 82671940

APPENDICES

OPERATIONS

ACCOUNTS PAYABLE PERFORMANCE

During the reporting year, all suppliers and service providers were paid within 30 days as required by NSW Treasury unless there had been invoice queries or legitimate delays.

BUSINESS CONTINUITY AND CRISIS MANAGEMENT

The Authority's management team has been working throughout 2009/10 to prepare and update the suite of key documents relating to business continuity. The Authority has:

- formed a permanent Crisis Management Team
- added supporting Crisis Management, Pandemic Management and Disaster Recovery Plans to the suite of documents encompassing business continuity
- concluded formal simulation testing of all plans with satisfactory outcomes achieved

While this meets the Agency's commitment to prudent business management and Government policy in these areas, work is continuing to ensure these Plans are maintained and tested, remain compliant with State requirements, and are updated annually through the Authority's Executive Committee.

CONSUMER RESPONSE

During the reporting year the agency received 12 complaints in regard to the operation of the Scheme and provision of services. This was an increase from three complaints during the previous year and was due to an increase in Scheme participants. All complaints were investigated and resolved.

CREDIT CARD CERTIFICATION

Credit card use by the Authority senior officers is certified in accordance with Treasurer's Direction 205.01 and Treasury's policy.

ECONOMIC AND OTHER FACTORS AFFECTING PERFORMANCE

Prime factors impacting investment performance are varied. On an economic front, the Authority's cash portfolio has performed favourably to benchmark. The bond portfolio, while initially volatile has also performed favourably to benchmark. The Authority's new growth portfolio has seen investment returns adversely impacted by volatile local and international equity markets during the latter half of the year, based on mark to market accounting requirements.

The Authority receives regular formal economic and actuarial advice and forward projections to support its investment strategy setting and decision-making capabilities. The Board reviews its investment strategies, market conditions, economic and actuarial assumptions on a quarterly basis and at 30 June 2010 was satisfied with the current strategic settings.

GUARANTEE OF SERVICE

You can expect us to:

1. Treat you with respect and courtesy.
2. Meet statutory confidentiality and privacy requirements.
3. Provide an efficient and professional service.

When clients phone the Authority's office on 1300 738 586 within business hours and the call needs to be redirected, it will not be transferred more than once without the agreement of the client or arrangements will be made for the appropriate officer to return the call. Written letters or emails will be responded to within 10 working days of receiving the letter or email. If a full answer to an enquiry in that time cannot be given, an interim response will be given.

4. Provide equitable access to the Authority and information about the Scheme.

The Authority makes information about the Scheme available in a range of formats (website, brochures, telephone service) to maximise access for all members of the community.

5. Provide appropriate information.

Information on the Authority and the Scheme is available from the Authority website (www.lifetimecare.nsw.gov.au) or requests for information can be made by phone or email and the Authority will mail the information. The Authority also produces a Statement of Business Intent annually, statistical information papers, various guidelines, insurance and legal service providers and rehabilitation education programs for professionals who work with the Authority.

6. Give you the opportunity to be heard.

The Authority welcomes suggestions and complaints by phone, in person, by mail or email. If you have any suggestions on how the services described here can be improved or if you experience any difficulties, please contact the Authority at:

Level 24
580 George Street
Sydney NSW 2000

Phone: 1300 738 586
Fax: 1300 738 583

Email: enquiries@lifetimecare.nsw.gov.au

INFORMATION TECHNOLOGY

The Authority continues its efforts to achieve objectives as outlined in the *Information and Communications Technology Strategic Plan 2008-13*.

This Strategic Plan is intended to:

- improve organisational efficiency and service delivery
- lower network unit costs
- foster improved business and divisional input to Information and Communications Technology (ICT) planning
- strengthen platforms for growth in information productivity
- drive the development of a modern convergent network that better supports strategic and corporate goals
- enable eGovernment initiatives
- demonstrate ICT leadership within our sector

At an operational level, the Authority undertook a number of initiatives during the reporting year including the implementation of Navigator (Participant Management System), planning for mobile workforce infrastructure and planning for set-up of satellite offices.

NAVIGATOR (PARTICIPANT MANAGEMENT SYSTEM)

The Navigator System is a mission critical application used for storing information regarding management and care of participants. The initial stage of the implementation was successfully launched in October 2008 with further enhancements implemented in May 2009. The next two stages of the Navigator implementation were delivered in 2009/10 to customise the system to match the emerging front line operational needs and increased efficiency to support the *People First: NSW Government ICT Strategy* goal of increasing coordination of customer service requests and actions between electronic service delivery channels.

MOBILE WORKFORCE INFRASTRUCTURE

Plans are in place to enhance the infrastructure of the Authority in order to support the needs of front line positions. ICT are reviewing mobile and remote communications using broadband technologies to ensure that the mobile workforce is effective and the Authority benefits from increased productivity. ICT have successfully deployed mobile devices and infrastructure to support the work of front line officers.

DATA WAREHOUSE

During 2009 a data warehouse was deployed which integrates with the Navigator system. The data warehouse has allowed reports to be developed which support service needs of participants and assists in decision-making within the Authority.

The data warehouse is available through the Authority's intranet and plans are in place for further enhancements to ensure that relevant information is available for frontline workers to assist with decision-making for participant services.

INSURANCE

The Authority utilises the Treasury Managed Fund for day-to-day and workers compensation insurance coverage.

BOARD, AUDIT AND RISK COMMITTEE AND RISK MANAGEMENT

The Board of the Lifetime Care and Support Authority is responsible to the Minister through the Chairperson of the Board. The Chairperson directs reports and recommendations from the Board to the Minister.

The Board of Directors of the Authority determines the administrative policies of the Authority and must ensure that, as far as practicable, the activities of the Authority are carried out properly and efficiently.

The Board has in place a formal Charter and Code of Conduct, reflecting the NSW Directors' Handbook. Through its Audit and Risk Committee, the Board is provided with:

- internal audit review reports published since the previous meeting
- updates of progress against the endorsed (Annual) Internal Audit Plan
- annual updates of the Authority's Risk Assessment and profile
- details of revisions to the forward Internal Audit Plan

Representatives of the Internal Audit Bureau (contracted internal auditor at 30 June) and Audit Office of NSW are invited to meetings to respond to any matters raised at the Audit and Risk Committee.

The Committee has a formal Charter that ensures the highest standards of control and risk monitoring for the Authority. The Board met on six occasions during the year and the Audit Committee on five occasions. Production of minutes, papers and material for the Board reflects best practice as required by NSW Treasury and Department of Premier and Cabinet with both the Board and Audit Committee served by a Corporate Secretary.

The Motor Accidents Authority's Corporate Service Division, through its service level agreement with the Lifetime Care and Support Authority, will govern the provision of services. Through its shared service model, it demonstrates synergies and productivity gains in the corporate areas and ensures:

- organisational corporate compliance functions
- ongoing review of the Authority's policies and procedures and regular reviews and revision to key governance and organisational policies in line with better practice standards and in concert with ongoing training and awareness programs for staff
- adherence to a formal project management methodology for ICT projects across the Authority
- an internal register of active internal audit recommendations
- executive management review of policy and strategy matters for the Authority
- review and update to the Authority's formal risk management policy through the Audit and Risk Committee and that risk management processes implemented by the Authority are consistent with *AS/NZS 4360:2004 Risk Management Standard*.

The 2009/10 Internal Audit Program was largely completed at 30 June 2010 as follows:

LIFETIME CARE AND SUPPORT AUTHORITY OF NSW		2009/10				RISK	COMMENT
AUDITABLE UNITS		Q1	Q2	Q3	Q4		
OPERATIONAL / COMPLIANCE							
1	Review and update risk registers etc					MED	June 2010 Committee
2	Review the overall service delivery to LTCSA, including management and KPI reporting by OMAA					LOW	October 2009 Committee
3	Review the effectiveness of resource planning, structure, skills, competencies and performance management					LOW	April 2010 Committee
4	Review overall compliance with legislative/central agency reporting requirements including Privacy (deferred from 2009)					LOW	June 2010 Committee
5	Review the adequacy and coverage of policy and procedures framework (deferred from 2009)					MED	June 2010 Committee
6	Review the adequacy of tendering / procurement / contract management processes					MED	June 2010 Committee
ICT							
7	Review the implementation of the Navigator system					LOW	August 2010 Committee
8	System Penetration Testing [Annual]					LOW	August 2010 Committee
Additional							
9	LTCSA Invoice Approvals					LOW	October 2009 Committee
10	Mondial Overseas Support Payment Proposal					LOW	February 2010 Committee
11	MCIS Levy Refund Review [Commissioned by MAA]					MED	February 2010 Committee
12	MCIS Levy Refund Review Additional [Commissioned by MAA]					MED	All reports drafted
–	Planning and Liaison					–	Ongoing

	Published
	Underway
	Delayed
	Future Scoping

OVERSEAS VISITS

No overseas travel by staff member was undertaken during the reporting year.

PRIVACY MANAGEMENT PLAN

The Authority is, for the purposes of any Act, a statutory body representing the Crown and, therefore, falls within the definition of 'public sector agency' in the *Privacy and Personal Information Protection Act 1998* and whereby the Authority is required to comply with the Information Protection Principles unless an exemption applies.

The Authority's current Privacy Management Plan has been in place since 1 October 2006. The Plan is augmented by internal policies and procedures and mandatory annual staff training and is reflected in the Agency's Code of Conduct (updated annually) and related mandatory governance annual training for all staff. The Privacy Management Plan is scheduled for review and update in 2010/11.

RESEARCH AND DEVELOPMENT

No paid research or development was undertaken during the year.

SHARED CORPORATE SERVICES

The Office of the Motor Accidents Authority was abolished in July 2009 and the provision of corporate services was transferred to the Lifetime Care and Support Authority. Following an internal audit review of this arrangement during the year, it was determined that the Authority was satisfied with the standard and scope of services provided under this shared services arrangement.

The Authority contracts WorkCover for the purpose of payroll and recruitment services under a legacy arrangement. The service levels associated with this arrangement are subject to periodic internal audit review. The Lifetime Care and Support Authority collaborates with WorkCover on a range of related issues, both corporate and other.

WASTE REDUCTION AND PURCHASING

The Authority undertakes a range of initiatives in conjunction with building management to reduce its carbon footprint including:

- smart lighting at its George Street office
- content through its printer fleet
- support for the Global Corporate Challenge
- minimal motor vehicle fleet
- office paper waste recycling.
- fifty per cent green recycle copy paper
- ring binders constructed from 100 per cent recycled board
- taps fitted with water control heads.

USE OF CONSULTANTS

Consultancies worth \$50,000 or more

	CATEGORY	AMOUNT \$	NATURE OF THE SERVICE
CONSULTANT			
KPMG	Business and accounting services	55,126	Advice on participant accommodation options
Mercer (Australia) Pty Ltd	Finance	74,730	Services in relation to investments
PricewaterhouseCoopers	Finance and accounting	385,579	Actuarial services
Sandra Louise Rickards	Surveys	59,981	Survey of participants

Consultants worth less than \$50,000

The Lifetime Care and Support Authority engaged eight consultants with fees less than \$50,000. The total cost of these consultants was \$59,868 and covered management services.

HUMAN RESOURCES

ACTION PLAN FOR WOMEN INCLUDING THE SPOKESWOMEN'S PROGRAM

The New South Wales *Public Sector Workforce Strategy 2008–2012* and *Making it Better for Women* are the blueprints for public sector agencies to improve recruitment, development and retention opportunities for women.

The Authority has a relatively high representation of women across all occupational groups and work practices provide a supportive culture for all staff. Specific strategies which have been accessed by women this year include:

- participation in Executive Coaching Program
- part-time and working from home arrangements
- spokeswomen's activities such as sponsoring staff attendance at the UNIFEM International Women's Day event

DISABILITY ACTION PLAN

The Disability Action Plan for 2009–2014 has been developed for the Lifetime Care and Support Authority. The Plan outlines a commitment to ensuring that people with a disability are able to access government services, facilities and jobs on an equitable basis through the delivery of enhanced services that promote fairness and opportunities. The Plan identifies seven outcome areas targeting universal, adapted and specialist services. The following outcomes have been achieved as at 30 June 2010.

STATUS	
STRATEGIES	
1. Improved ways of promoting equal employment opportunities data collection survey.	A learning management system including an induction module with emphasis on completing equal employment opportunities details is being implemented. Eighty per cent compliance was achieved by June 2010.
2. Provide guidelines for different ways to receive complaints and implement options for people with disabilities.	Complaints, suggestions and feedback can be provided to the Authority in person, by mail or on the Authority's website. The Claims Advisory Service assists hearing impaired persons through the telephone typewriter service and the National Relay Service. Interpreter services are also available for non-English speaking clients.
3. Review and audit all major information services	The website for the Authority has been upgraded and addresses accessibility issues.
4. Commission accessibility audits on all building locations.	Buildings and building fit-outs are compliant with AS-1428 standards.
5. Explore options for voice in elevator to enable visually-impaired people to determine which floor they are on.	A voiceover program is being incorporated in the upgrading of the lifts for the George Street office.
6. Include access to information and guidance to clients visiting the Lifetime Care and Support Authority through signage and a list of external venues for conferences posted on the intranet.	Clear signage is displayed at George Street foyer. A disability car space is available upon request. Telephone typewriter phone service is available to all members of the public.
7. Develop a clinical framework for psychological services ensuring people injured in car accidents receive expert treatment.	The framework is available on the Authority website. Further documentation will be developed to outline the use of this framework in Compulsory Third Party insurance.

STRATEGIES

This Plan provides a wide range of practical strategies which will improve both services and employment opportunities for people with a disability. The Authority will actively review and evaluate the progress of this plan over the next five years.

EQUAL EMPLOYMENT OPPORTUNITY

The 2007–2010 Equal Employment Opportunity (EEO) plan identified key priorities. Progress has been achieved in the following areas.

- continuation of internal training programs which require all staff to complete mandatory training in EEO, disability and multicultural awareness
- development of a Workplace Respect Policy and Staff Complaints and Grievance Policy
- development of the Disability Action Plan – new office accommodation compliance and ongoing support for staff with disabilities are two areas actioned under the Plan
- in-house training for staff on job seeking skills and merit selection
- review of human resources policies for currency and relevance

TRENDS IN THE REPRESENTATION OF EQUAL EMPLOYMENT OPPORTUNITIES GROUPS

PERCENTAGE OF TOTAL STAFF	TARGET	2007	2008	2009	2010
EEO GROUP					
Women	50	79	80	74	87
ATSI	2	n/a	n/a	n/a	n/a
People whose first language is not English	12	n/a	7	10	4
People with a disability	12	n/a	12	7	4
People with a disability requiring work-related adjustment	7	n/a	12	7.2	2

Source: Premier's Department, Workforce Profile Tool

Notes:

1. Staff numbers are as at 30 June.
2. Excludes casual staff.

MULTICULTURAL POLICIES AND SERVICES

The Lifetime Care and Support Authority recognises the NSW principles of diversity and the need to meet the service delivery needs of all people across NSW. To achieve this, the Authority has continued with a number of initiatives during the reporting year including:

- providing information about the Authority's activities to the ethnic media
- making available interpreters and translators as required for assessments
- producing and making available appropriate publications in major community languages

GRIEVANCES

There were no formal grievances lodged in the 2009/10 reporting year.

INDUSTRIAL RELATIONS POLICIES AND PRACTICES

There were no industrial stoppages or major issues identified during the year. The Authority has a Joint Consultative Committee that meets quarterly to discuss workplace policies and practices and resolve staff complaints. As required under the 2008 Memorandum of Understanding (MoU), a Savings Implementation Plan was also developed to identify Authority specific initiatives which will result in cost saving and improved workplace efficiency.

OCCUPATIONAL HEALTH AND SAFETY

There was one workers compensation claim lodged in the agency in the 2009/10 reporting year. This claim was for injuries that happened outside the work premises.

There is a joint Motor Accidents Authority and Lifetime Care and Support Authority Occupational Health and Safety Workplace Committee which assists the Authority to meet its statutory requirements.

The Committee meets quarterly and has facilitated the following improvements:

- review and update occupational health and safety (OHS) and injury management (IM) policy
- drafted OHS strategy including Working Together targets
- implemented an OHS and IM procedure for Sydney and Newcastle offices

PERSONNEL PRACTICES AND POLICIES

Payroll and recruitment services continued to be provided by the WorkCover Authority under a Service Level Agreement with the Office of the Motor Accidents Authority. Policies and procedures were reviewed as required to reflect service-wide changes and best practice developments in human resources management.

STAFF NUMBERS AND GRADING

In 2009/10 there was an average of 45.2 effective full-time (EFT) staff occupying positions at the Lifetime Care and Support Authority.

	30 JUNE 2007	30 JUNE 2008	30 JUNE 2009	30 JUNE 2010
SES	3	1	1	2
Senior officer	0	0	0	0
Clerk 11/12	1	1	1	2
Clerk 9/10	3	3	9	14
Clerk 7/8	7	7	17	24
Clerk 5/6	0	1	1	1
Clerk 3/4	0	0	0	0
Clerk 1/2	1	2	2	3
Other*	0	0	0	3
Total (head count)	15	15	31	49
TOTAL (EFT)	15	15	27.8	45.2

* Others include cadets.

SENIOR EXECUTIVE OFFICERS

The Lifetime Care and Support Authority's establishment consists of:

- Executive Director, Level 6
- Director, Service Delivery, Level 3

One SES officer is female. This is the same as 2008/09.

EXECUTIVE DIRECTOR'S PERFORMANCE STATEMENT

David Bowen, SES 6, is the Executive Director of the Lifetime Care and Support Authority. His total remuneration package for the position is \$330,800 per annum.

Mr Bowen was reappointed as CEO of the Authority in December 2008 and his position was retitled Executive Director in January 2010 following new governance arrangements within the Compensation Authorities.

Ms Lisa Hunt, CEO of the Compensation Authorities Staff Division has indicated her satisfaction with Mr Bowen's performance in the management and strategic direction of the Lifetime Care and Support Authority.

PROMOTIONS

NON-GOVERNMENT ORGANISATION FUNDED GRANTS

	AMOUNT \$	PURPOSE
RECIPIENT		
Australian Society for Study of Brain Impairment	2500	33rd Annual Brain Impairment Conference Sponsorship
Australian Spinal Cord Injury Network Limited	20,509	Website for the spinal cord injury network
The University of Melbourne	445,171	Research looking into physical activity after a spinal cord injury
University of NSW	14,359	A comprehensive manual for treating emotion processing deficits after traumatic brain injury
Variety Children's Charity NSW	169,500	Capital equipment (3 Nets Life Bridge Systems) for paediatric helicopters
TOTAL	652,039	

OTHER SIGNIFICANT FUNDING GRANTS

	AMOUNT \$	PURPOSE
RECIPIENT		
Attendant Care Industry Association of NSW	3750	Improving standards within the attendant care industry
Attendant Care Industry Association of NSW Inc	52,880	Quality certification framework for attending care providers
Sydney West Area Health Service	8338	Research on the dual diagnosis of spinal cord injury and traumatic brain injury
Department of Ageing Disability and Home Care	5000	International Day of People with a Disability
Hunter New England Area Health Service	14,389	Supporting families in rural areas through education and behavioural change programs
Hunter New England Area Health Service	22,727	Supporting families in rural areas through education and behaviour change programs
JBAR Innovations Pty. Ltd.	267,617	Development of collaborative research network and grants
Royal Rehabilitation Centre Sydney	36,624	Evaluation of school support for adolescent traumatic brain injury
Royal Rehabilitation Centre Sydney	12,351	Evaluation of a young adult transitional study
Royal Rehabilitation Centre Sydney	18,724	Research into innovative treatment in management of contracture in traumatic brain injury
Royal Rehabilitation Centre Sydney	5782	Research into cognitive recovery patterns and early prognostic indicators in traumatic brain injury
Royal Rehabilitation Centre Sydney	22,063	Research on psychosocial aspects of spinal cord injury and improvement of rehabilitation programs
Royal Rehabilitation Centre Sydney	16,033	Estimating the real cost of 24 hour care in NSW
South Western Sydney Area Health Service	2620	Brain Injury Rehabilitation Transitional Living forum
Spinal Cord Injuries Australia	5000	Spinal Cord Injuries Awareness Week 9-15th November 2009
Strategic Planning Sargood Centre	240,535	Strategic planning for the development of the Sargood Centre at Collaroy
Sydney West Area Health Service	30,442	Research into long term mortality trends following severe traumatic brain injury
TOTAL	764,875	

LEGISLATION

DEPARTURES FROM THE SUBORDINATE LEGISLATION ACT

There were no departures from the *Subordinate Legislation Act* during the reporting period.

Legislative changes

Acts

On 1 October 2009 amendments to the *Motor Accidents (Lifetime Care and Support) Act 2006*, enabling Compulsory Third Party insurers to pro-rata refund the statutory levies which are contributed to the Lifetime Care and Support Authority Fund when a motorist terminates the relevant vehicle registration commenced.

Freedom of information

During 2009/10, the Authority did not receive any freedom of information requests or any requests for amendment or notation of personal records.

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