```
CKEY HORSE RACE R
ARN S. R. NC ILE B
ING SI DW SKING S
TOUC' FOC BALL TR
USTP LIAN SOOTBALL
G F CONG SISHING C
SOCCER INLINE HOCK
                                                                                                                                                                                                                                                                                                                                                     NE BALL DOOR OCCER INLINE HOCK
GBY
LEAGUE SCUBA DI
III 5 ! VII 11IN TA
O VA EF $ 'III 5 Y.
KETE
NG
BO /L
BO /L
                                                                                                                                                                                                                                                                                                                                                                                                 TENTRE SOCIED SO
SORO VOLLEYBALL WATER POLO WATER SKIING VACALING RACE TO BO YBOAR NG TO XIV (A STATE OF THE SKIING VACALING RACE OF THE SKIING VACALING RACE OF THE STATE OF THE
```





27 October 2005

The Hon J Della Bosca MLC Minister for Industrial Relations Parliament House SYDNEY NSW 2000

#### Dear Minister

In accordance with the Annual Reports (Statutory Bodies) Act 1984, I am pleased to transmit the following report on the activities and financial statements of the NSW Sporting Injuries Committee for the year ended 30 June 2005.

Yours faithfully

Jon Blackwell

Chairperson

NSW Sporting Injuries Committee





#### CONTENTS

Chairperson's Report	Page 1
The Sporting Injuries Committee  Mission Statement Function Constitution Membership Attendance Record Administration	Page 2
The Sporting Injuries Insurance Scheme Sporting Injuries Fund	Page 6
Supplementary Sporting Injuries Benefits Scheme Supplementary Sporting Injuries Fund	Page 6
<b>Background to the NSW Sporting Injuries Insurance Scheme</b>	Page 7
Official of the Year Sponsorships Olympian Star Attraction at Symposium 7th Annual NSW Sports Safety Awards NSW Sports Safety Award Scheme Research and Injury Prevention Scheme Legislative Changes Seminar Program "Play it Safe" Newsletter Committee Internet Access Membership and Participation Schedule of Scheme Membership Injury Cases Reported Analysis of Caseload Claims and Benefits Guarantee of Service Freedom of Information Publications Staff Ethnic Affairs Priorities Statement Acknowledgments Benefit Tables	Page 8
Financial Statements	Page 27
Budget Statement	Page 48





#### CHAIRPERSON'S REPORT

Dear Minister,

I am pleased to present to you, the 21st Annual Report of the NSW Sporting Injuries Committee for the financial year ended 30 June 2005.

#### **Highlights**

The number of serious injuries and deaths reported were the lowest since the Sporting Injuries Insurance Scheme commenced in 1979.

This trend has been continuing for the past six years and the Committee will continue to work to further reduce these rates in the future.

The Committee successfully coordinated the seventh annual NSW Sports Safety Awards held at Telstra Stadium, Homebush in November 2004 attended by more than 180 sporting organisations.

The Committee congratulates all award recipients including Professor Caroline Finch, receiving the F.E.Johnson Memorial Fellowship and Dr Justin Paolini receiving the David Garlick Memorial Scholarship.

#### **Sporting Injuries**

The Committee remains concerned at the severity of the injuries. There were 16 serious injuries and five cases of death reported in 2004-05. The number of new injuries reported indicated a reduction by 14 on the 2003-2004 financial year.

#### Scheme performance

The aggregate benefit paid from the Scheme in 2004-05 increased to \$516,022 for ten claims. In 2003-04 \$196,675 was paid on two claims. There were no benefits paid from the Supplementary Sporting Injuries Benefits Scheme in 2004-2005.

The aggregate benefit paid in 2004-05 is greater than the annual average benefits of \$471,816, paid over the history of the Scheme.

There was a decrease in the number of sporting organisations and participants covered by the Scheme in 2004-05. This is attributed to sporting organisations seeking cheaper industry insurance products through affiliating with their state or national bodies.

#### To the future

The Committee will continue to promote safe sport initiatives in NSW and will work to raise the profile of the Committee within the sporting community.

The Committee will also continue to lead a range of activities including the Research and Injury Prevention Scheme and the annual Sports Safety Awards.

I would like to thank the Committee and participating sporting organisations in NSW for their dedication to promoting sport safety in NSW during the past 12 months.



Chairperson



#### THE SPORTING INJURIES COMMITTEE

#### Mission Statement

Reduce the personal and financial impact of serious injuries in sport and support sports injury prevention initiatives.

#### Objective 1

Provide an equitable, affordable and viable self-funded serious injury insurance scheme for New South Wales sporting organisations.

#### Outcome 2004/2005

- Premium rates for all sports retained at previous year levels.
- A total of \$516,022 was paid in benefits under the Sporting Injuries Insurance Scheme.
- The Scheme was heavily promoted through an extensive advertising campaign in sports specific journals, seminars, conferences and trade shows.

#### Objective 2

Provide a Government-funded insurance scheme for students participating in organised school sporting activities and participants in approved programs of the NSW Department of Sport and Recreation.

#### Outcome 2004/2005

- There were no benefits paid under the Supplementary Scheme.
- The Scheme was heavily promoted to schools at seminars in partnership with the NSW Department of Tourism and Sport and Recreation and in sports specific journals.

#### Objective 3

Initiate, support and promote efforts to reduce the incidence of injuries resulting from sporting activities in New South Wales.

#### Outcome 2004/2005

- A total of \$163,900 was expended for the sponsorship of research involving:
  - The survey of sports safety policies and practices in community rugby league clubs in NSW.

- The evaluation of the SafeClub training intervention to improve community sports safety.
- The study of long-term consequences of playing baseball.
- An annual epidemiological profile of severe and catastrophic sports injuries in NSW.
- A study of Paediatric Sports Injuries in NSW – a prospective surveillance of injuries.
- Continued promotion through an extensive advertising campaign in sports specific journals, seminars, conferences and trade shows.
- Presented NSW Sports Safety Awards in three categories – Applied Research, Education and Promotion and Safe Sports Practice including:
  - \$25,000 Fellowship for Scholarship for research into the approaches used by key international groups in influencing sports safety policy and practice.
  - \$15,000 Scholarship for research into the treatment response to the use of topical glyceryl trinitrate in common tendinopathies.
  - A gold medal awarded for the development and trial of the knee sleeve, which is used to retrain muscles and prevent injuries.
  - \$26,500 awarded in sports protective equipment to sporting organisations and schools.

#### Objective 4

Increase and broaden participation in the Scheme within the New South Wales sporting community.

#### Outcome 2004/2005

- A total of 78 different sports were covered and the number of organisations covered was 240.
- Total sportspeople participation increased from 284,557 to 297,678 including those from Section 5a exempted clubs.
- The Scheme was heavily promoted through an extensive advertising campaign in sports specific journals, seminars, sponsorships and trade shows.

#### THE SPORTING INJURIES COMMITTEE

#### **Function**

The Committee's function is to administer the NSW Sporting Injuries Insurance Scheme, the Supplementary Sporting Injuries Benefits Scheme, the Research and Injury Prevention Scheme, and the NSW Sports Safety Award Scheme.

#### Constitution

The Committee is a corporation constituted under the Sporting Injuries Insurance Act 1978. It consists of seven members, a Chairperson and six others on the nomination of various New South Wales Government Ministers.

#### Membership

The Chairperson is the Chief Executive Officer of WorkCover NSW and the remaining members are the nominees of the Minister for Industrial Relations; the Minister for Education and Training; and the Minister for Tourism and Sport and Recreation. Appointments are made by the Governor for a period of up to three years.

Committee members during the year were:

#### Mr Jon Blackwell

Jon Blackwell commenced as Chief Executive Officer of WorkCover NSW in August 2003. He is responsible for the operation of the workplace safety, injury management, recovery



and return to work, and workers compensation systems in NSW. Jon was Chief Executive Officer of the Central Coast Area Health Service from 1997 to 2003. Before that he held a variety of executive positions at health services in Victoria, Western Australia, South Australia and in NSW. Jon obtained his Bachelor of Arts in Social Administration and Masters in Certificate of Qualification in Social Work at the University of Nottingham. He commenced his career with five years service in the British Army.

#### Mr Ian Eather

lan Eather was appointed Deputy Chairperson in April 2003 and chairs the Sporting Injuries Committee meetings in the absence of the Chairperson. He is currently Program Executive, Scheme Design



in the Workers Compensation Division, WorkCover. Prior to joining WorkCover in September 2002 he held senior positions in a number of public sector organisations including NSW Health. He has a background in public affairs, marketing, performance management and in conducting program reviews. He holds a Masters degree in Administration.

#### Mr Neville Goldspring

Neville Goldspring was appointed to the Committee in July 2004. He is the Director, Industry Development Directorate for the NSW Department of Tourism and Sport and Recreation and comes to the



Committee with extensive experience in the sport and recreation industry. Neville came to the Department of Tourism and Sport and Recreation from the Department of Education and has held a number of high profile positions including Director, Sport; Director, NSW Institute of Sport and General Manager, NSW Academy of Sport. Neville is also on the board of a number of community organisations.

#### Ms Jannine Jackson

Jannine Jackson was appointed to the Committee in July 2004. She is the Executive Officer of the NSW Paralympic Committee, which provides support by fundraising and working to improve the



profile and awareness of athletes with a disability.

#### Dr John Orchard

Dr John Orchard was appointed to the Committee in June 2000. He is an experienced researcher in the field of sports science and medicine and winner of the prestigious F.E. Johnson Memorial



Fellowship in 1999 for his research into ground conditions and injury in the Australian Football League. He is the team physician for the Sydney Roosters and NSW State-of-Origin Rugby League teams and former team physician to the Sydney Swans. He undertakes injury surveillance on a consultant basis for AFL and Cricket Australia. He has published over 20 sports medicine articles in international journals.

#### Dr Martin Raftery

Dr Martin Raftery was appointed to the Committee in 2003. Martin brings both medical and corporate experience to the Committee. He is the Medical Director of the Australian Rugby Union



and has also held the position of team physician for the Wallabies since January 2002. Martin is also team physician for St George-Illawarra Dragons being in this position since 1990. On the corporate side Martin has over 15 years experience working in the workers compensation arena. He was co-founder of Workplace Injury Management Services (an injury management and rehabilitation provider) and has undertaken many consultancies in the workers compensation field for large organisations, insurers and WorkCover NSW.

#### Dr Eddie Price

Dr Eddie Price was appointed to the Committee in October 2003. He brings to the Committee considerable experience as a physician working in the field of workers compensation and rehabilitation and as



a consultant to industry and the former Federal Minister for Health, Senator Graham Richardson. Dr Price was on the Board of WorkCover NSW for seven years and from 1980 to 1983 worked as assistant to the Medical Director for the Sapir Health Region in Kupat Holim, Tel Aviv, Israel. Dr Price has had a career interest in preventive medicine, working in health administrative advocacy with a particular interest in utilising health outcomes to promote a preventive focused health care system. For the past twenty-two years Dr Price has worked in private practice and as a consultant to corporations and the insurance industry in occupational health and health management, with an emphasis on preventive health care.

#### Ms Rhonda Williams

Rhonda Williams was appointed to the Committee in March 2001. She is head teacher of Personal Development, Health and Physical Education and Deputy Principal at Mackellar Girls High School. She has an



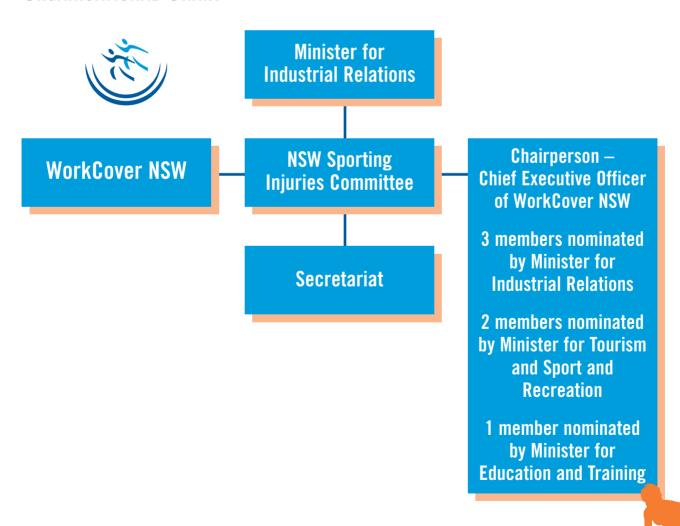
extensive background in sport as a player, official and coach in Softball, Basketball, Volleyball, Hockey, Tennis and Track and Field and is an Emergency Care and Resuscitation Trainer. Rhonda has also worked with the Northern Beaches Sports Safety Group to develop risk management policies for local sporting associations and DET schools.

#### 2004/05 Meetings - Attendance Record

The Committee held 10 meetings during the year.

MEMBER	APPOINTMENT EXPIRES	MEETINGS ATTENDED
JON BLACKWELL*	Not applicable	5
IAN EATHER**	Not applicable	6
JOHN ORCHARD	12.10.06	8
EDWARD PRICE	12.10.06	9
RHONDA WILLIAMS	21.03.07	9
Martin Raftery	12.10.06	5
NEVILLE GOLDSPRING	17.11.07	6
JANNINE JACKSON	09.04.05	7
*Chairperson **Deputy Chairperson		•

#### **ORGANISATIONAL CHART**



#### **ADMINISTRATION**

The Committee is assisted administratively by the Secretariat including five full-time officers headed by the Executive Officer.

The Committee's office is located in the WorkCover head office building in Gosford and utilises various administrative resources provided by WorkCover including:

- Human Resource services such as recruitment, training and development, industrial relations, OHS policy and procedure and payroll;
- Accounting services and investment expertise;
- Legal services;
- Records management services;
- General office services provided by Outsource Australia; and
- Advice and support relating to policies, procedures and practices common to state government organisations.

Details of WorkCover's policies, plans, and achievements in these areas are published in the WorkCover Annual Report and on the website at www.workcover.nsw.gov.au.

### Address of the Sporting Injuries Committee:

Level 4 92-100 Donnison St GOSFORD NSW 2250

Telephone: (02) 4321 5392 Facsimile: (02) 9287 5392

Office hours are 8.30 am – 5.00 pm www.sportinginjuries.nsw.gov.au

ABN 22 678 697 920



#### THE SCHEMES

## THE SPORTING INJURIES INSURANCE SCHEME

The Scheme was established for sporting organisations by the Sporting Injuries Insurance Act 1978 to provide cover for serious sporting injuries.

Once admitted to the Scheme, a sporting organisation is covered in return for the payment to the Sporting Injuries Fund of premiums determined by the Committee.

Cover is for registered members of the organisation for injury while engaged in specified activities or events and entitles them to apply to the Committee for a lump sum benefit in the event that their injuries lead to a prescribed permanent loss. A benefit is payable for fatalities due to injury. The benefits are paid from the Sporting Injuries Fund.

#### **Sporting Injuries Fund**

The Committee is required by the Act to establish, administer and control a fund called the Sporting Injuries Fund. The Sporting Injuries Fund is used primarily for (a) paying benefits to applicants under the Insurance Scheme, (b) investment, (c) providing grants for research and injury prevention projects under the Research and Injury Prevention Scheme, (d) providing awards under the NSW Sports Safety Award Scheme and (e) meeting administration costs of the Insurance Scheme.

## SUPPLEMENTARY SPORTING INJURIES BENEFITS SCHEME

The Supplementary Scheme was established in October 1984.

The injury and benefits provisions of the Supplementary Scheme are almost identical to the corresponding provisions of the Insurance Scheme.

The Supplementary Scheme is a non-contributory Scheme funded by the Government and provides lump sum benefits for (a) children who are seriously injured while participating in organised school sport or athletic activities and (b) persons likewise injured while participating in certain programs of activity conducted or sanctioned by the NSW Department of Tourism and Sport and Recreation.

## Supplementary Sporting Injuries Fund

The Supplementary Sporting Injuries Fund exists as a facility for (a) the payment of benefits to eligible applicants under the Supplementary Scheme and (b) meeting the administration costs of the Supplementary Scheme.

# BACKGROUND TO THE NSW SPORTING INJURIES INSURANCE SCHEME

The major influences, which led to the creation of the NSW Sporting Injuries Insurance Scheme in 1978 were:

- (i) the potential for athletes to qualify as "workers" under workers compensation legislation in the event of injury and the implications of this on sporting clubs; and
- (ii) a significant rise in serious spinal accidents, specifically in Rugby League and Rugby Union in the late 1970's.

Following a landmark judgement by the Workers' Compensation Commission of NSW in February 1977, a committee of inquiry was established by the then NSW government to explore a means of accommodating injured sportspersons including professionals.

Committee policy is that professionals are covered provided they belong to a largely amateur organisation.

The creation of the Insurance Scheme was the culmination of that inquiry.

The Sporting Injuries Insurance Act was enacted by the NSW Parliament in December 1978. The Sporting Injuries Committee was constituted by the same Act as the operator of the Insurance Scheme.

Since the Insurance Scheme's inception the Committee has utilised the resources and facilities of WorkCover NSW.

#### STATUTORY OBLIGATIONS

In addition to its responsibility for administration of the insurance schemes, Section 8 of the Sporting Injuries Insurance Act 1978 confers on the Committee the following specific obligations and responsibilities:

- (a) The compilation and maintenance of such statistics with respect to the incidence of injuries resulting from sporting or athletic activities as the Committee considers would assist it in the performance of the functions given to it by or under the Act or any other Act:
- (b) Co-operation with organisations concerned in the regulation and conduct of sporting or athletic activities and the Department of Tourism and Sport and Recreation and the Department of Education and Training for the purpose of initiating, developing, encouraging, and implementing such policies as are likely to eliminate or reduce the incidence of injuries resulting from sporting or athletic activities;
- (c) When requested by the Minister to do so, the examination and reporting to the Minister on the desirability of extending the Scheme provided by the Act; and
- (d) The performance of such other functions as are given to it by or under the Act or any other Act.

#### Appeals to the District Court

Section 29 of the Sporting Injuries Insurance Act provides that an aggrieved applicant for a benefit may, under certain circumstances, apply to the District Court of NSW for a determination in relation to a decision made by the Committee.

No Section 29 applications were received by the Committee during 2004/2005.



## OFFICIAL OF THE YEAR SPONSORSHIPS

During the year under review the Committee further enhanced its sponsorship agreement with NSW Sports Federation to support the Official of the Year awards as part of the celebrations of the Year of the Official.

Under its agreement with NSW Sports
Federation the Committee sponsored the NSW
Official of the Year for the fifth successive year
and in 2004 also sponsored the Junior Official
of the Year award as well as monthly awards in
each category.

The winner of the award for 2004 NSW Official of the Year was the world's number one Cricket umpire Simon Taufel while the inaugural winner of the NSW Junior Official of the Year award was Rugby League referee Jared Maxwell.

The award capped an outstanding year for Simon who was also named the International Cricket Council's inaugural Umpire of the Year and Australian Umpire of the Year.

Above: Cricket Umpire Simon Taufel, NSW Official of the Year of 2005.

During 2004 Simon stood in ten Test matches and 18 one-day internationals before being appointed to handle the final Test of the gripping series between Pakistan and India on the subcontinent.



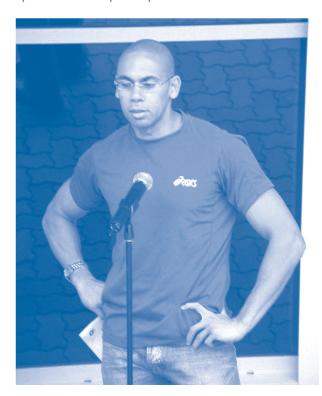
Right: Jared Maxwell, NSW Junior Official of 2004.

Simon joins an elite and very talented band of officials who have taken out the prestigious award in recent years among them Australia's top Netball umpire Sharon Kelly (2001), World Cup Rugby Union referee Stuart Dickenson (2002) and former top Rugby League Test referee Bill Harrigan who won the award in 2003.

Jared claimed the Junior Official of the Year award after graduating from the NSW Rugby League Referees Development squad and breaking into international ranks to officiate in the two Test series between Papua New Guinea and the Cook Islands in Noumea.

Both Simon and Jared were presented with their awards by Committee chairperson Jon Blackwell at a glittering formal function held at the Super Dome in Olympic Park in February, 2005.

The Committee's sponsorship of the Official of the Year awards is a key plank in its marketing strategy for the NSW Sporting Injuries Insurance Scheme and in line with its policy of encouraging the development and skill of officials whose efficient enforcement of the rules of sport plays a major role in making sport safer for participants.



Olympian Patrick Johnson speaking at Alice Springs conference.

## OLYMPIAN STAR ATTRACTION AT SYMPOSIUM

A brief appearance by Olympic sprint star Patrick Johnson was one of the highlights of a highly successful symposium on indigenous injury in sport at the 2004 Australian Conference of Science and Medicine in Sport at Alice Springs.

The symposium, which was sponsored by the Committee, was chaired by Australia's foremost sports injury epidemiologist Professor Caroline Finch of the University of NSW.

Due to a mix-up in plane flights, Johnson was a late arrival at the symposium but his contribution to the forum for the final 30 minutes was inspirational and warmly received by the enthusiastic audience.

Professor Finch, the Director of the Injury Risk Management Research Centre at the University of NSW, presented the keynote address for the symposium and outlined current knowledge of indigenous injuries in sport across Australia.

Alice Springs sports physiotherapist Pippa Tessman gave a splendid insight into her work as the lone sports physiotherapist in the town and her experiences working with injured indigenous athletes over the past decade.

A highlight of Ms Tessman's presentation was interviews with two of her indigenous athlete patients who later joined the panel for a lively debate on the issues indigenous athletes frequently encounter when seeking appropriate treatment for injuries or assistance in making sport safer for their peers.

Ms Jola Stewart, an indigenous health worker from NSW who has worked extensively with indigenous communities all over NSW, also contributed an excellent paper emphasising the underlying, and often unique, cause of sports injury in indigenous populations.

The symposium confirmed that much work needs to be done to address the unique problems faced by indigenous athletes, particularly those that are injured in sporting activities in remote outlying regions. It also highlighted the need for more extensive clinical and applied research to accurately determine the size and nature of indigenous injury in sport and the strategies that can be employed to reduce the risks.

## 7th Annual Sports Safety Awards

The highlight of the year under review was the Committee's presentation of the 7th Annual NSW Sports Safety Awards in the Millenium Room at Telstra Stadium in November 2004.

A record audience of almost 200 packed into the room to witness Professor Caroline Finch win the prestigious F.E.Johnson Memorial Fellowship awarded to the most outstanding established researcher in the field of Science and Medicine in Sport for 2004.

Professor Finch, one of Australia's foremost sports injury epidemiologist and the Director of the Injury Risk Management Research Centre at the University of NSW, is the fifth distinguished researcher in the field to be awarded the fellowship since the inception of the awards in 1998.

She joins Associate Professor Julie Steele (University of Wollongong, 1998), Dr John Orchard (University of NSW, 1999), Dr Andrew McIntosh, (University of NSW, 2000) and Professor Geraldine Naughton (Australian Catholic University, 2002).

Professor Finch's background in research has been diverse, ranging from non-communicable disease through to road accident trauma, biostatistics and clinical trials through to her specialty, and in many ways her passion, sports injury prevention.

Her research has been published in more than 100 peer reviewed journals, book chapters and reports over the past ten years and she has been in constant demand as a keynote speaker at conferences all round the world, the most recent being the 1st World Congress on Sports Injury Prevention held in Oslo in June 2005.

The Johnson Fellowship carries a cash prize of \$25,000, which Professor Finch will use to gain direct experience working in collaboration with experts in sports safety policy and practice in Canada, Norway and New Zealand over the next 18 months.

Dr Justin Paoloni, a young researcher with the St George Hospital Orthopaedic Research Institute, was the 2004 winner of the David Garlick Memorial Scholarship for the most outstanding new NSW researcher in the field of Science and Medicine in sport.

Dr Paoloni clinched the scholarship with his conduct of three clinical trials assessing the treatment of topical glyceryl trinitrate in common tendinopathies such as achilles tendon strain, tennis elbow and injured rotator cuffs.

Chronic overuse tendinopathies are among the most common injuries in sport and frequently the precursor to more serious injury problems later in life.

Over the past two years Dr Paoloni had articles on his research published in several peer reviewed journals among them The Journal of Bone and Joint Surgery, The Scandinavian Journal of Science and Medicine in Sport, The Journal of Shoulder and Elbow Surgery, the prestigious American Journal of Sports Medicine and Foot and Ankle International.

Dr Paoloni is the ninth recipient of the scholarship and will use the \$15,000 prize to continue his research within Australia.

The team research award was jointly won by the Biomedical Research Laboratory and the CSIRO Intelligent Polymer Research Unit, both based at the University of Wollongong for the development and research into the use of intelligent fibres to reduce and prevent injuries in sport.

Overall the sport of Rugby Union dominated the 2004 Sports Safety Awards with a hat trick of gold medals and a bronze in by far the code's best ever showing at the awards since their inception seven years ago.

The NSW Rugby Union won the gold medal in the State category for Safe Sports Practice by a Sporting Organisation with its implementation of a program to ensure appropriately accredited sports trainers were appointed to all Sydney Grade and Colts fixtures during the 2004 season.

The code also won the gold in the Club category where the Warnervale Wildcats went one better than their silver medal the previous year, by implementing the highly successful *SmartRugby* program right across the club.

Bathurst's St Stanislaus College picked up Rugby Union's third gold medal in the Rural Schools category for the development and implementation of a comprehensive risk management plan embracing its 20-team Rugby Union program.

Granville Boys High School wrapped up a great night for Rugby Union when it won the bronze medal in the Metropolitan Schools category for the development and implementation of an innovative risk management plan for the school's tour of Queensland to compete in the Southern Skies Rugby Union Tournament.

Huntingdon Public School near Wauchope on the Mid North Coast of NSW continued its fantastic record in the Sports Safety Awards by sharing the bronze medal in the Rural Schools category.

The medal stretched Huntingdon's tally of medals since the awards commenced in 1998 to six – two gold, two silver and two bronze.

The State gold medal in the Education and Promotion category was taken out by the Department of Tourism and Sport and Recreation, for its brilliant water safety project targeting the prevention of drowning deaths in non-English speaking NSW communities.

Peter Wynn's Score of Parramatta was a major sponsor of the Awards for the sixth successive year and, in addition to assisting in the provision of protective equipment as prizes in the Education and Promotion and Safe Sports Practice categories, also sponsored the awards in the Regional division of the Safe Sports Practice category.

During the year under review *Beiersdorf Australia* was also welcomed as the sponsor of the Club division of the Awards through its Elastoplast range of products.

The Committee is indebted to both *Peter Wynn's Score* and *Beiersdorf Australia* for their support of the NSW Sports Safety Awards.

#### Candid Camera at the 2004 Awards



#### NSW SPORTS SAFETY AWARD SCHEME

The full list of awards for 2004 follows:

Category	Winner	Award
A: Outstanding Achievement by an Established Researcher in the Field of Sports Medicine	Professor Caroline Finch	FE Johnson Memorial Fellowship
<b>A:</b> Best new NSW Talent in Applied Sports Medicine Research	Dr Justin Paoloni	David Garlick Memorial Scholarship
<b>B:</b> Outstanding Achievement in Applied Research by a Research Team	University of Wollongong and CSIRO	Gold Medal
<b>B:</b> Outstanding Education and Promotion Project or Program in the Field of Sports Injury Prevention and Reduction – State Level	Department of Tourism and Sport and Recreation Centre for Physical Activity Across the Lifespan (CoPAAL):	Gold Medal Silver Medal
	Australian Catholic University Sports Medicine Australia NSW Branch	Bronze Medal
<b>B:</b> Outstanding Education and Promotion Project	Kiama Municipal Council and Illawarra Health	Gold Medal
or Program in the Field of Sports Injury Prevention and Reduction –	Royal Life Saving Society – North Coast Region	Silver Medal
Regional Level	Macdonald Valley Public School	Bronze Medal

Category	Winner	Winner
C: Outstanding Achievement by a Sporting Organisation in Implementing or Adopting Safe Sport Practice – State Level	NSW Rugby Union Ltd	Gold Medal
A: Outstanding Achievement by a Sporting Organisation in Implementing or Adopting Safe Sport Practice – Regional Level "Peter Wynn's Score Award"	Northside Junior AFL Association Illawarra Academy of Sport	Gold Medal Silver Medal
C: Outstanding Achievement by a Sporting Organisation in Implementing or Adopting Safe Sport Practice – Club Level "Elastoplast Sport Award"	Warnervale Wildcats Junior Rugby Union Club Terrigal Trotters Inc. Lavington Panthers Football Club Little League	Gold Medal Silver Medal Bronze Medal
C: Outstanding Achievement by a NSW school in Implementing or Adopting Safe Sport Practice – Metropolitan	Cromer Public School Castle Cove Public School Granville Boys High School	Gold Medal Silver Medal Bronze Medal
C: Outstanding Achievement by a NSW school in Implementing or Adopting Safe Sport Practice – Rural	St Stanislaus College Collector Public School Gorokan Public School Huntingdon Public School	Gold Medal Silver Medal Bronze Medal Bronze Medal

## RESEARCH AND INJURY PREVENTION SCHEME

Up to June 2005 the Committee provided grants totalling \$1,324,427 under the Research and Injury Prevention Scheme.

In the year ending 30 June 2005 the Committee paid out \$163,900 for current and previously approved projects.

Grants totalling \$109,093 were allocated in 2004/05 as follows:

- \$18,607 to Mr Martin Meredith and NSW Rugby League to conduct a survey of sports safety policies and practices in community rugby league clubs in NSW.
- \$48,099 over 2 years to Youthsafe for the evaluation of the SafeClub training intervention to improve community sports safety.
- \$7,238 to Mr Rudi Meir and Dr Robert Weatherby from Southern Cross University to study the long term consequences of playing baseball.
- \$59,125 over 3 years to Professor Caroline Finch and the NSW Injury Risk Management Research Centre at the University of NSW to undertake an annual epidemiological profile of severe and catastrophic sports injuries in NSW.
- \$39,490 to Dr Carolyn Broderick from University of NSW Sports Medicine Programs to conduct a study of Paediatric Sports Injuries in NSW – a prospective surveillance of injuries.

#### LEGISLATIVE CHANGES

During 2004/05 the Committee approved the following change to the *NSW Sporting Injuries Insurance Act 1978:* 

• Section 24(5A) was proclaimed on 7 July 2004. It provides that an applicant for a benefit who has unreasonably refused medical treatment which a medical panel believes would have resulted in an improvement may be assessed as if the improvement had in fact occurred. The new section formed part of the Workers Compensation Legislation Amendment Act 2004 at Schedule 3.

The Committee also approved *The Sporting Injuries Insurance Regulation 2004*, which commenced on 1 September 2004. This Regulation replaces the *Sporting Injuries Insurance Regulation 1999*, and contains the provisions for percentage of permanent loss which will be compensable under the Act.

#### SEMINAR PROGRAM

The Committee conducted 14 risk management seminars in regional NSW during 2004/05 as part of its ongoing marketing strategy for the schemes that it administers and commitment to assist and inform the community on insurance issues and sports injury prevention.

The seminars, conducted jointly with the Department of Tourism and Sport and Recreation, were held in Bega, Batemans Bay, Kiama, Armidale, Quirindi, Muswellbrook, Bowral, Nowra, Lismore, Coffs Harbour, Cooma, Queanbeyan, Goulburn and Moss Vale.

A total of 182 people from more than 250 sporting organisations, schools, community organisations and local government attended the seminars.

Most of the seminars featured presentations by lawyers on relevant aspects of sports law and risk management and in most cases also included presentations by officers of the Department of Tourism and Sport and Recreation on NSW Child Protection legislation.

All seminars included presentations on the NSW Sporting Injuries Committee and its work.

The Committee would like to take this opportunity to thank the Department of Tourism and Sport and Recreation in particular the Coordinators for the North Coast, South Coast and Western regions for their assistance in the organisation and hosting of the seminars and the Law Society of NSW for its assistance in securing lawyers.





#### "PLAY IT SAFE" NEWSLETTER

The Committee continued to publish its newsletter "Play it Safe" throughout 2004/05.

"Play it Safe" is published quarterly in spring, summer, autumn and winter and is distributed to all participating sporting organisations, state and regional sporting organisations, NSW members of Parliament, all recipients of grants under the Research and Injury Prevention Scheme and all NSW schools – government and independent.

In addition "Play it Safe" can be downloaded from the Committee's website at www.sportinginjuries.nsw.gov.au.

Hard copies of "Play it Safe" newsletters are

also available at the State Library, the Committee office, Sports House at Wentworth Park and regional offices of the Department of Tourism and Sport and Recreation.

#### **COMMITTEE INTERNET ACCESS**

During 2004/05 the Committee's website www.sportinginjuries.nsw.gov.au continued to be updated on a monthly basis.

The annual report and quarterly newsletters were added to the website. Many of the Committee's forms including the Membership Application form, the NSW Sports Safety Awards Nomination form and the Research and Injury Prevention Scheme Guidelines and Application form are available to be downloaded from the site.

The website contains comprehensive information on all the Schemes administered by the Committee.

#### Membership and Participation

The varied trends with respect to membership of and participation in the NSW Sporting Injuries Scheme continued into the 2004/05 financial year.

The reasons underlying the mixed results were again attributable to the difficulty of sporting organisations in acquiring affordable and appropriate insurance products such as Public Liability, Professional Indemnity and Directors and Officer's cover. Many organisations have been forced to amalgamate with and insure through larger organisations or disband in order to obtain the appropriate insurance at a cheaper rate.

The decreasing trend in membership is primarily due to the withdrawal of smaller regional-based organisations due to affiliation with state or national bodies.

During the financial year 2004/05, two organisations – the NSW Ruby Union and NSW Cricket – successfully applied again for the Section 5A insurance exemptions for approved private insurance schemes.

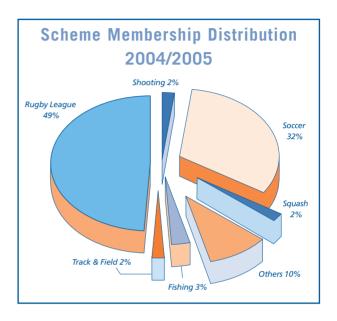
In return, the two organisations paid levies imposed by the Committee, which were applied exclusively by the Committee to fund sports injury prevention initiatives.

As at 30 June 2005, there were 240 organisations covered for the benefits offered under the NSW Sporting Injuries Insurance Scheme. This was a decrease of 8.3% on the previous financial year. The number of athletes and officials covered under the scheme also decreased by 3.0% to 200,290.

As with the prior financial year, the decrease in cover under the NSW Sporting Injuries Insurance Scheme was offset by the 97,388 of athletes covered under the approved private schemes permitted by the Section 5A insurance exemption.

The Committee will continue to promote the NSW Sporting Injuries Insurance Scheme as it has done over the past 15 years to increase membership in the scheme.

Rugby league retained its place as the largest participant sport in the NSW Sporting Injuries Scheme with a total of 97,613 participants or 49% of total membership. Soccer was the second largest participant sport with 64,288 (32%).



Note: Others (10%) can be identified in the Schedule of Scheme Membership pages 16-19.

# SCHEDULE OF ORGANISATIONS COVERED UNDER APPROVED PRIVATE SCHEMES WITH SECTION 5A EXEMPTION PLAYERS ADULT JUNIOR TOTAL NSW Cricket 35,580 46,762 82,342

15,046

50,626

0

46.762

15,046

97,388

**NSW Rugby Union** 

Total



SCHEDULE OF SCHEME MEMBERSHIP 2004/2005								
	ORGANI	SATIONS			PARTIC	IPANTS		
SPORT	Year ended	Year ended	Yea	r ended 30/0	6/05	Yea	r ended 30/06	5/04
	30/06/05	30/06/04	ADULTS	NON ADULTS	TOTAL	ADULTS	NON ADULTS	TOTAL
ABSEILING	1	0	37	0	37	0	0	0
AIKIDO KI	1	0	30	0	30	0	0	0
AQUAROBICS	1	0	5	0	5	0	0	0
ARCHERY	1	1	26	18	44	26	18	44
AUSTRALIAN FOOTBALL	9	11	1,238	484	1,722	1,838	1,004	2,842
BADMINTON	1	0	30	0	30	0	0	0
BASEBALL	3	1	92	18	110	0	18	18
BASKETBALL	12	14	460	296	756	361	30	391
BOARDSAILING	1	0	30	0	30	0	0	0
BODYBOARDING	0	1	0	0	0	130	420	550
BOXING (AMATEUR)	1	3	132	21	153	317	21	338
BUSHWALKING	2	0	110	0	110	0	0	0
CALLISTHENICS	1	0	5	0	5	0	0	0
CANOEING	3	2	28	10	38	21	10	31
CANYONING	1	0	32	0	32	0	0	0
CRICKET	4	10	91	271	362	5,975	10,934	16,909
CROQUET	2	1	63	1	64	60	1	61
CYCLING	2	3	20	8	28	67	65	132
DANCE SPORT	1	1	50	0	50	100	0	100
DRAGON BOAT RACING	5	4	735	18	753	820	3	823
FENCING	1	0	25	5	30	0	0	0
FISHING	10	14	4,650	992	5,642	5,682	1,122	6,804
FRISBEE	1	0	40	0	40	0	0	0
GOLF	4	4	1,579	128	1,707	1,910	213	2,123
GYMKHANA	1	3	46	71	117	160	95	255
GYMNASTICS	1	4	0	250	250	100	562	662
HANG GLIDING	1	1	534	0	534	500	0	500
HOCKEY	7	9	458	384	842	629	788	1,417
HOCKEY (UNDERWATER)	1	0	35	0	35	0	0	0
ICE HOCKEY	1	1	2	12	14	2	6	8
INDOOR BOWLS	3	2	97	10	107	130	10	140
INDOOR CRICKET	0	0	0	0	0	25	0	25
INDOOR HOCKEY	0	1	0	0	0	0	40	40
INDOOR NETBALL	0	0	250	0	250	20	0	20
INDOOR SOCCER	0	3	0	0	0	260	260	520
JU JITSU	2	2	35	71	106	34	39	73
JUDO	3	1	64	6	70	15	9	24
KARATE	4	6	95	76	171	93	114	207
LAWN BOWLS	4	4	326	50	376	335	48	383
LINE DANCING	1	0	5	0	5	0	0	0

SCHEDU	SCHEDULE OF SCHEME MEMBERSHIP 2004/2005							
OFFICIALS						TOTAL (	COVER	
SPORT		r ended 30/0			ended 30/06		Year	Year
	ADULTS	NON ADULTS	TOTAL	ADULTS	NON ADULTS	TOTAL	ended 30/06/05	ended 30/06/04
ABSEILING	0	0	0	0	0	0	37	0
AIKIDO KI	0	0	0	0	0	0	30	0
AQUAROBICS	0	0	0	0	0	0	5	0
ARCHERY	3	0	3	3	0	3	47	47
AUSTRALIAN FOOTBALL	167	72	239	316	80	396	1,961	3,238
BADMINTON	1	0	1	0	0	0	31	0
BASEBALL	6	0	6	2	0	2	116	20
BASKETBALL	296	2	298	273	17	290	1,054	681
BOARDSAILING	0	0	0	0	0	0	30	0
BODYBOARDING	0	0	0	30	0	30	0	580
BOXING (AMATEUR)	36	0	36	118	0	118	189	456
BUSHWALKING		0	0	0	0	0	110	0
CALLISTHENICS	0	0	0	0	0	0	5	0
CANOEING	2	0	2	2	0	2	40	33
CANYONING	0	0	0	0	0	0	32	0
CRICKET	35	0	35	169	40	209	397	17,118
CROQUET	0	0	0	0	0	0	64	61
CYCLING	2	0	2	9	0	9	30	141
DANCE SPORT	0	0	0	0	0	0	50	100
DRAGON BOAT RACING	5	2	7	5	2	7	760	830
FENCING	1	0	1	0	0	0	31	0
FISHING	10	1	11	0	0	0	5,653	6,804
FRISBEE	0	0	0	0	0	0	40	0
GOLF	3	0	3	3	0	3	1,710	2,126
GYMKHANA	7	12	19	28	23	51	136	306
GYMNASTICS	15	3	18	44	3	47	268	709
HANG GLIDING	0	0	0	0	0	0	534	500
HOCKEY	31	1	32	65	4	69	874	1,486
HOCKEY (UNDERWATER)	0	0	0	0	0	0	35	0
ICE HOCKEY	0	0	0	0	0	0	14	8
INDOOR BOWLS	4	0	4	4	0	4	111	144
INDOOR CRICKET	0	0	0	4	0	4	0	29
INDOOR HOCKEY	0	0	0	2	0	2	0	42
INDOOR NETBALL	0	0	0	2	0	2	250	22
INDOOR SOCCER	0	0	0	105	105	210	0	730
USTIL UL	1	0	1	1	0	1	107	74
JUDO	5	0	5	0	0	0	75	24
KARATE	8	3	11	11	2	13	182	220
LAWN BOWLS	8	0	8	8	0	8	384	391
LINE DANCING	0	0	0	0	0	0	5	0

SCHEDU	LE OF S	SCHEM	E MEN	IBERSH	HIP 200	04/200	)5	
	ORGANI	SATIONS			PARTIC	IPANTS		
SPORT	Year ended	Year ended	Yea	r ended 30/0	6/05	Yea	r ended 30/0	5/04
	30/06/05	30/06/04	ADULTS	NON ADULTS	TOTAL	ADULTS	NON ADULTS	TOTAL
MINI HARNESS RACING	1	1	0	163	163	0	155	155
MOTOR CYCLING	1	1	18	38	56	14	5	19
NETBALL	11	16	412	2,352	2,764	693	3,253	3,946
ORIENTEERING	0	2	0	0	0	171	0	171
PHYSICAL CULTURE	0	1	0	0	0	20	40	60
POLO	3	1	524	708	1,232	155	12	167
PONY RIDING	3	3	59	87	146	59	87	146
ROCKCLIMBING	1	0	12	0	12	0	0	0
ROWING	4	3	46	27	73	64	31	95
RUGBY LEAGUE	8	7	16,109	71,749	87,858	16,701	60,917	77,618
RUGBY UNION	3	2	51	42	93	0	44	44
SAILING	2	0	0	27	27	0	0	0
SCUBA DIVING	1	0	86	0	86	0	0	0
SHOOTING	1	2	4,203	62	4,265	7,946	342	8,288
SHOTBALL	1	1	52	0	52	40	0	40
SNOW SKIING	2	2	43	0	43	40	160	200
SOCCER	20	25	15,780	43,324	59,104	16,155	41,314	57,469
SOFTBALL	2	4	0	40	40	133	61	194
SPEARFISHING	1	2	264	26	290	560	80	640
SQUASH	4	4	2,910	172	3,082	246	23	269
SURF LIFE SAVING	1	1	0	27	27	0	26	26
SWIMMING	1	3	0	29	29	70	78	148
TABLE TENNIS	1	0	2	83	85	0	0	0
TAE KWON DO	2	1	60	35	95	15	2	17
TAI CHI	1	0	5	0	5	0	0	0
TENNIS	8	10	506	379	885	680	396	1,076
TENPIN BOWLING	1	0	5	0	5	0	0	0
TENTPEGGING	1	0	100	22	122	0	0	0
TOUCH FOOTBALL	17	23	2,003	497	2,500	2,686	725	3,411
TRACK & FIELD	23	22	2,920	1,542	4,462	2,781	2,107	4,888
TRIATHLON	3	4	113	123	236	131	109	240
VOLLEYBALL	2	1	63	0	63	36	5	41
WALK BALL	3	2	395	0	395	440	0	440
WALKING	1	0	5	0	5	0	0	0
WATER POLO	3	3	40	33	73	150	410	560
WATER SKIING	3	3	187	9	196	218	62	280
WRESTLING	1	1	20	110	130	70	220	290
YACHTING-SAILING	1	4	46	27	73	80	46	126
YOGA	1	0	5	0	5	0	0	0
TOTALS	240	262	58,499	124,933	183,432	69,964	126,540	196,504

SCHEDULE OF SCHEME MEMBERSHIP 2004/2005								
OFFICIALS						TOTAL	COVER	
SPORT		r ended 30/0			r ended 30/06 NON		Year ended	Year ended
	ADULTS	ADULTS	TOTAL	ADULTS	ADULTS	TOTAL	30/06/05	30/06/04
MINI HARNESS RACING	0	0	0	0	0	0	163	155
MOTOR CYCLING	12	0	12	26	10	36	68	55
NETBALL	483	0	483	530	29	559	3,247	4,505
ORIENTEERING	0	0	0	0	0	0	0	171
PHYSICAL CULTURE	0	0	0	0	0	0	0	60
POLO	35	5	40	10	5	15	1,272	182
PONY RIDING	42	0	42	42	0	42	188	188
ROCKCLIMBING	0	0	0	0	0	0	12	0
ROWING	9	0	9	8	0	8	82	103
RUGBY LEAGUE	8106	1649	9,755	984	856	1,840	97,613	79,458
RUGBY UNION	6	0	6	5	0	5	99	49
SAILING	5	0	5	0	0	0	32	0
SCUBA DIVING	0	0	0	0	0	0	86	0
SHOOTING	0	0	0	0	0	0	4,265	8,288
SHOTBALL	0	0	0	0	0	0	52	40
SNOW SKIING	0	0	0	7	0	7	43	207
SOCCER	2,875	2,309	5,184	2,882	2,345	5,227	64,288	62,696
SOFTBALL	9	0	9	9	0	9	49	203
SPEARFISHING	20	5	25	50	15	65	315	705
SQUASH	51	0	51	0	0	0	3,133	269
SURF LIFE SAVING	6	0	6	6	0	6	33	32
SWIMMING	19	0	19	17	0	17	48	165
TABLE TENNIS	0	0	0	0	0	0	85	0
TAE KWON DO	3	0	3	0	0	0	98	17
TAI CHI	0	0	0	0	0	0	5	0
TENNIS	6	0	6	9	0	9	891	1,085
TENPIN BOWLING	0	0	0	0	0	0	5	0
TENTPEGGING	19	11	30	0	0	0	152	0
TOUCH FOOTBALL	55	0	55	106	0	106	2,555	3,517
TRACK & FIELD	269	62	331	402	57	459	4,793	5,347
TRIATHLON	5	0	5	26	0	26	241	266
VOLLEYBALL	1	0	1	1	0	1	64	42
WALK BALL	0	0	0	0	0	0	395	440
WALKING	0	0	0	0	0	0	5	0
WATER POLO	6	0	6	28	20	48	79	608
WATER SKIING	18	0	18	36	15	51	214	331
WRESTLING	10	5	15	10	5	15	145	305
YACHTING-SAILING	0	0	0	23	7	30	73	156
YOGA	0	0	0	0	0	0	5	0
TOTALS	12716	4142	16858	6421	3640	10061	200,290	206,565

<sup>\*</sup>Note: Premiums not sent out by 30/6/05 have not been included in the above summary

#### INJURY CASES REPORTED

The number of serious cases reported to the Committee under the NSW Sporting Injuries Insurance Scheme fell for the sixth year in a row.

During 2004/05, 16 new cases were reported. This compared with 30 in 2003/04, 43 in 2002/03, 45 in 2001/02, 46 in 2000/01 and 53 in 1999/00.

Since 1998/99 there has been a significant drop in the number of serious injuries and deaths reported to the Committee despite the fact that the total number of participants covered under the NSW Sporting Injuries Insurance Scheme over this period has remained consistent.

However, the severity of the current caseload of injuries is of extreme concern to the Committee.

As at 30 June 2005 the Committee was considering five cases of death, two of spinal damage and one head injury.

These severe cases emphasise the need for the Committee to continue with injury prevention strategies.

During 2004/05 there were 52 serious injuries reported to the Supplementary Sporting Injuries Benefit Scheme, an increase of 44 from the previous year.

This increase in injuries reported is directly attributable to the amendment of the Sporting Injuries Insurance Rule 2003 that came into effect on 7 May 2004. The amendment places the primary responsibility for timely reporting of such incidents on school principals and where applicable, authorised officers of the Department of Tourism and Sport and Recreation.

Many of the cases reported to the Committee during 2004/05 for both the Sporting Injuries Insurance Scheme and the Supplementary Sporting Injuries Benefits Scheme require further investigation to determine whether benefits will be payable under the NSW Sporting Injuries Insurance Act 1978.

As at 30 June 2005 there were 16 cases under investigation in the Sporting Injuries Insurance Fund while the Supplementary Sporting Injuries Benefits Scheme caseload stood at 24.

## Analysis of caseload for the year ended 30/06/05

Cases in S.I.I.S. caseload at beginning of the year 01/07/04	15
Number of Sports	4
Cases in S.S.I.B.S. caseload beginning of the year 01/07/04	9
Number of Sports	3

New S.I.I.S. cases encountered for the year ended 30/06/05	16
Number of Sports	8
New S.S.I.B.S. cases encountered for the year ended 30/06/05	52
Number of Sports	11

S.I.I.S. cases concluded for the year ended 30/06/05	15
S.S.I.B.S. cases concluded for the year ended 30/06/05	37

S.I.I.S. caseload as at 30/6/05	16
Number of Sports	8
S.S.I.B.S. caseload as at 30/6/05	24
Number of Sports	6

S.I.I.S.– Sporting Injuries Insurance Scheme S.S.I.B.S.–Supplementary Sporting Injuries Benefits Scheme

#### CLAIMS AND BENEFITS

The amount of benefits paid out under the Sporting Injuries Insurance Scheme increased during the year under review.

In previous years the benefits paid were well below the aggregate.

During 2004/05, \$516,022 was paid on ten claims under the Sporting Injuries Insurance Scheme compared with \$196,675 paid on two claims in 2003/04 and \$405,393 paid out on seven claims in 2002/03.

The bulk of the benefits paid comprised \$171,000 for a paraplegia case and two death cases of amounts of \$73,530 and \$82,080 respectively.

Since the inception of the Sporting Injuries Insurance Scheme in 1979 a total of \$12,739,043 has been paid out in benefits for an annual average of \$471,816.

There were no claims paid out under the Supplementary Sporting Injuries Benefits Scheme during 2004/05 leaving the aggregate benefits paid since the introduction of the scheme in 1984 at \$1,000,650.

The severity of the claims paid and other cases reported to the Committee clearly emphasise the need to continue with injury prevention strategies through the Research and Injury Prevention Scheme and NSW Sports Safety Awards Scheme.

As at 30 June 2005 the estimated liability of claims still under consideration by the Committee stood at \$1,361,000 for the Sporting Injuries Insurance Scheme and \$886,000 for the Supplementary Sporting Injuries Benefits Scheme.

Projected undischarged Claims liability as at 30 June 2004:					
1994	1,458,000				
1995	1,370,000				
1996	1,774,000*				
1997	1,662,000*				
1998	2,276,000*				
1999	1,948,000*				
2000	1,856,000*				
2001	1,764,000*				
2002	1,725,000*				
2003	1,526,000*				
2004	1,577,000*				
2005	2,247,000				

<sup>\*</sup> The projected undischarged claims liability includes provision for claims incurred but not reported (IBNR), claims incurred but not enough reported (IBNER) and an administrative expense loading.



#### SPORTING INJURIES INSURANCE SCHEME

Benefits paid from the Sporting Injuries Insurance Scheme 2004/05

SPORT	ACCIDENT YEAR	INJURY, CONDITION OR DAMAGE SUSTAINED	RESULT	BENEFIT PAID \$
Hang Gliding	2002	Mental Capacity	50% permanent loss of mental capacity	\$85,500
Netball	2002	Left Leg	40% permanent loss of use of the greater part of the left leg	\$15,800
Rugby League (6 cases)	2004	Spinal	Paraplegia	\$171,000
	2004	Death	Death	\$73,530
	2003	Death	Death	\$82,080
	2001	Left Leg	65% permanent loss of use of the left foot	\$21,414
	2001	Speech	50% loss of power of speech	\$16,985
	1996	Smell & Taste	20% permanent loss of sense of smell 10% permanent loss of sense of taste	\$2,787
Soccer (2 cases)	2003	Left Leg	80% permanent loss of use of the lower part of the left leg	\$27,176
	2001	Right Leg	50% permanent loss of use of the greater part of the left leg	\$19,750
Total				\$516,022

#### SUPPLEMENTARY SPORTING INJURIES FUND

There were no benefits paid from the Supplementary Sporting Injuries Benefits Scheme in 2004/05.



## SPORTING INJURIES INSURANCE SCHEME Benefits paid by sport

SPORT		2004/2005		2003/2004	197	'9 to 2005
	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
Aikido Ki					1	18,975
Australian Football					13	140,372
Baseball					1	11,637
Cricket					25	144,202
Canoeing					3	53,700
Cycling					2	47,162
Diving					1	2,275
Indoor Cricket					1	17,170
Fishing					3	161,500
Gridiron					1	3,000
Hang Gliding	1	85,500			3	284,150
Horserace riding					3	93,749
Motor-car racing					1	18,050
Motor-cycling					22	564,565
Netball	1	15,800			3	41,475
Polo					5	217,585
Pony Riding					6	52,138
Rugby Union					40	1,836,620
Rugby League	6	367,796	2	196,675	259	8,120,243
Soccer	2	46,926			25	609,248
Softball					2	2,700
Spearfishing					2	75,000
Tae Kwon Do					1	57,377
Touch Football					5	166,150
Totals	10	516,022	2	196,675	428	12,739,043

## SUPPLEMENTARY SPORTING INJURIES BENEFITS SCHEME Benefits paid by sport

SPORT	2004/2005		2003/2004		197	'9 to 2005
	NO.	AMOUNT	NO.	AMOUNT	NO.	AMOUNT
Athletics			1	13,825	5	67,174
Australian Football					2	10,790
Basketball					3	33,452
Cricket					2	21,437
Gymkhana			1	171,000	1	171,000
Hockey					2	6,060
Judo					1	24,375
Netball					2	27,128
Rock Climbing					1	12,127
Rugby Union					6	205,398
Rugby League					9	177,881
Soccer					2	158,550
Squash					1	11,025
Snowboarding					1	4,531
Swimming					3	5,515
Touch Football					1	13,825
Trampoline					1	13,860
Walking for Pleasure (Dept of Sport & Recreation	on)				1	15,198
Waterpolo					1	4,000
Yachting					1	17,325
Totals	0	0	2	184,825	46	1,000,651

#### **Guarantee of Service**

The NSW Sporting Injuries Committee will ensure that all its clients receive prompt, courteous and professional assistance and response to their enquiries.

No complaint or adverse publicity was received during the year regarding the failure of the staff to provide competent and satisfactory service to the Committee's clients and members of the public.

#### Freedom of Information

Under the Freedom of Information Act 1989, the Committee has a statutory obligation to produce a bi-annual Summary of Affairs. This identifies the type of documents retained by the Committee and explains the process to obtain copies of the documents.

The Committee has published a Summary of its Affairs in the Government Gazette and copies of the Committee's Statement of Affairs can be obtained by applying to the Committee's offices at Level 4, 100 Donnison Street, Gosford NSW 2250.

All applications for information on the Schemes made under the Freedom of Information Act 1989 should be addressed to the Executive Officer of the Committee.

The Committee received no applications under the Freedom of Information Act 1989 during the year ended 30 June 2005. No applications were received in the previous year.

Five of the seven members of the Committee are representatives of the sporting community and, as such, participate in policy formulation.

#### **Publications**

Major publications – Annual Report, Handbook of the Sporting Injuries Committee and "Play it Safe" newsletter.

Brochures – NSW Sporting Injuries Insurance Scheme; Supplementary Sporting Injuries Benefits Scheme; Research and Injury Prevention Scheme; Guidelines for Research Grants and NSW Sports Safety Award Scheme.

#### Staff

The Committee has a staff of five administrative personnel who work under the direction of the Executive Officer. During the year under review, the Committee experienced a decrease in permanent staff through natural attrition. Permanent positions are currently under review. EEO principles continue to be implemented by the Committee.

#### **Payment of Accounts**

The Committee is committed to achieving a 100% target with respect to making payments on time and this target was achieved in 2004/2005. No interest was incurred in the period.

#### Aged analysis at the end of each quarter

Qtr	Current (ie within due date)	<30 days o/due	30-60 days o/due	60-90 days o/due	90+ days o/due
	\$	\$	\$	\$	\$
Sep	611,771	0	0	0	0
Dec	235,019	0	0	0	0
Mar	187,735	0	0	0	0
Jun	456,485	0	0	0	0

Qtr	Total Accounts Paid on Time			Total Amount Paid
	Target %	Actual %	\$	\$
Sep	100	100	611,771	611,771
Dec	100	100	235,019	235,019
Mar	100	100	187,735	187,735
Jun	100	100	456,485	456,485



#### **Consultancies**

Consultancy Area	Cost \$
Actuarial (Finity Consulting Pty Ltd)	27,500

## Representation on significant statutory bodies and inter-departmental committees

The Committee did not have representation on any significant statutory bodies and interdepartmental committees during the year.

## Significant committees of the NSW Sporting Injuries Committee

There were no significant committees of the NSW Sporting Injuries Committee convened during the year and no significant committees were established or abolished during the year.

## Economic/other factors affecting operation objectives

Except as stated in the accompanying financial statements, there were no economic or other factors affecting the achievement of operational objectives in 2004/2005.

#### **Land Disposal**

The NSW Sporting Injuries Committee owns no land.

#### **Overseas Visits**

There were no overseas visits during the reporting year.

#### Disclosure of controlled entities

There were no controlled entities of the NSW Sporting Injuries Committee during 2004/2005.

#### Executive performance and remuneration

No Senior Executive Service (SES) officers were employed by the NSW Sporting Injuries Committee during 2004/2005.

#### Departures from the Subordinate Legislation Act

There were no departures from the *Subordinate Legislation Act* during 2004/2005.

#### Legal Changes

Section 24(5A) of the NSW Sporting Injuries Insurance Act 1978 was proclaimed on 7 July 2004. It provides that an applicant for a benefit who has unreasonably refused medical treatment which a medical panel believes would have resulted in an improvement, may be assessed as if the improvement had in fact occurred.

The Sporting Injuries Insurance Regulation 2004 commenced on 1 September 2004. This Regulation replaces the Sporting Injuries Insurance Regulation 1999, and contains the provisions for percentage of permanent loss which will be compensable under the Act.

#### Significant judicial decisions

There were not significant judicial decisions during the year.

#### Production cost of annual report

The cost of printing the annual report is \$8,717 (1000 copies). Copies are available from the Committee office or may be accessed from the website at www.sportinginjuries.nsw.gov.au.

#### Ethnic Affairs Priorities Statement

The Community Relations Commission and Principles of Multiculturalism Act 2000 require the Chief Executive Officer of each public authority to implement the principles of multiculturalism.

The NSW Sporting Injuries Committee is committed to the principles of multiculturalism and will continue to observe them in the conduct of all its affairs. The Committee engages WorkCover to provide Human Resource services and as such, the Committee follows and utilises WorkCover's Ethnic Affairs and Priorities Statement 2003-2006.

#### Acknowledgments

The Committee wishes to thank its staff for their dedication and loyalty throughout the year. Appreciation is also extended to the staff of WorkCover NSW for their co-operation and assistance over the past year and to the Department of Tourism and Sport and Recreation, specifically the various regional managers for their assistance with the planning and conduct of the seminar program.

The Committee would also like to express its appreciation to the participants in the Sporting Injuries Insurance Scheme for their assistance and co-operation, without which the Scheme could not function effectively.

12,310

## BENEFIT TABLES

(b) sightless eye

## TABLE A

IADLE A	
(b) lower part of either arm (c) either hand or 4 fingers and thumb of either hand (d) thumb	\$ 43,265 37,050 37,050 16,075 10,715 5,645
PART 2 - INJURIES RELATED TO LEGS	
Permanent loss of not less than the percentage, prescribed by the regulations, of the use of:  (a) either leg or the greater part of a leg  (b) lower part of either leg  (c) foot	\$ 39,500 33,970 32,945 10,715
PART 3 - INJURIES RELATED TO SIGHT	
<ol> <li>Permanent and total loss of sight of both eyes (or of one eye if it was the only sighted eye)</li> <li>Permanent loss of not less than the percentage, prescribed by the regulations, of the use (a) one eye, if it was the only sighted eye</li> </ol>	\$ 55,575 of: 39,500 23,030
PART 4 - MISCELLANEOUS INJURIES	
<ol> <li>Permanent loss of not less than the percentage, prescribed by the regulations, of-         <ul> <li>(a) hearing of both ears</li> <li>(b) power of speech</li> </ul> </li> <li>Permanent loss of sighted eye</li> <li>Permanent and total loss of the use of:</li> </ol>	\$ 33,970 33,970 12,310 58,710 7,070 7,070
TABLE B	
PART 1 – INJURIES RELATED TO COGNITION  Permanent loss of -  (a) mental capacity 1  (b) sense of smell  (c) sense of taste	\$ 71,000 9,290 9,290
PART 2 - PHYSICAL INJURIES	
Permanent loss of  (a) all sexual organs or part thereof	\$ 27,530

## FINANCIAL STATEMENTS OF THE SPORTING INJURIES COMMITTEE FOR THE YEAR ENDED 30 June 2005

#### Statement by Members of the Committee

Pursuant to Section 41C(1B) and (1C) of the Public Finance and Audit Act 1983 and in accordance with a resolution of the Members of the Sporting Injuries Committee, we declare on behalf of the Committee that in our opinion:

- 1. The accompanying financial statements exhibit a true and fair view of the financial position of the Sporting Injuries Committee as at 30 June 2005 and transactions for the year then ended.
- 2. The statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2000 and the Treasurer's Directions.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

Signed at Sydney this 12th day of October, 2005.

**CHAIRPERSON** 

NAENARER







#### INDEPENDENT AUDIT REPORT

#### **Sporting Injuries Committee**

To Members of the New South Wales Parliament

#### **Audit Opinion**

In my opinion, the financial report of the Sporting Injuries Committee:

- (a) presents fairly the Committee's financial position as at 30 June 2005 and its financial performance and cash flows for the year ended on that date, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and
- (b) complies with section 41B of the Public Finance and Audit Act 1983 (the Act).

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

#### The Committee's Role

The financial report is the responsibility of the members of the Board of the Committee. It consists of the statement of financial position, the statement of financial performance, the statement of cash flows and the accompanying notes.

#### The Auditor's Role and the Audit Scope

As required by the Act, I carried out an independent audit to enable me to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing and Assurance Standards and statutory requirements, and I:

- evaluated the accounting policies and significant accounting estimates used by the Committee's Board in preparing the financial report, and
- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that Board members had not fulfilled their reporting obligations.

My opinion does not provide assurance:

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

#### **Audit Independence**

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The 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 are not
  compromised in their role by the possibility of losing clients or income.

G J Gibson FCPA

Acting Assistant Auditor-General

SYDNEY 17 October 2005

#### **Beginning of Audited Financial Statements**

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$'000	2004 \$'000
Premiums	2(e), 3	705	667
Contributions	2(f)	500	(197)
		1,205	470
Net claims incurred	8	(671)	34
Other underwriting expenses	2(h)	(123)	(287)
		(794)	(253)
Underwriting result		<u>411</u>	217
Investment revenue	4	288	322
Injury prevention levies	2(g)	55	21
Other revenue	5	7	5
Recreation leave and extended leave Superannuation	2(d)	( 27) ( 32)	( 15) ( 22)
Depreciation	2(b)	(1)	( 22)
General and administrative expenses	2(0)	(701)	(477)
		(411)	(166)
urplus for the year from			
ordinary activities		0	51
otal Changes in Equity – other than those resulti	ng		
from transactions with owners as owners	_	0	51



# STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

	Note	2005 \$'000	2004 \$'000
CURRENT ASSETS			
Cash assets	18	822	226
Receivables	9	1,480	751
Other financial assets	10	0	279
TOTAL CURRENT ASSETS		2,302	1,256
NON-CURRENT ASSETS			
Other financial assets	10	1,897	2,461
Property, plant and equipment	12	1,037	2
TOTAL NON-CURRENT ASSETS		1,898	2,463
TOTAL ASSETS		4,200	<u>3,719</u>
CURRENT LIABILITIES			
Payables	13	648	290
Outstanding claims	14	767	726
Provisions	15	33	65_
TOTAL CURRENT LIABILITIES		1,448	1,081
NON-CURRENT LIABILITIES			
Outstanding claims	14	1,480	1,366
TOTAL NON-CURRENT LIABILITIES		1,480	1,366
TOTAL LIABILITIES		2,928	2,447
NET ASSETS		1,272	1,272
EQUITY			
Retained surplus	16	1,272	1,272

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$'000	2004 \$'000
		Inflows / (Outflows)	Inflows / (Outflows)
CASH FLOWS TO OPERATING ACTIVITIES		(Outriows)	(Outriows)
Premiums		781	788
Contributions		105	338
Claims paid		(516)	(382)
Administration and other costs		(873)	(774)
Investment revenue		53	167
Injury prevention levies		60	51
Other receipts		(10)	( 1)
GST paid to ATO		( 82)	( 30)
Net cash used in operating activities	17	(482)	<b>157</b>
CASH FLOWS FROM INVESTING ACTIVITIES			
Redemption of investments		1,078	150
Purchase of investments		0	(158)
Net cash provided by investing activities		1,078	( 8)
Net increase in cash held		 596	149
Cash at the beginning of the financial year		226	77
Cash at the end of the financial year	18	822	226



#### FOR THE YEAR ENDED 30 JUNE 2005

#### Note 1 CONSTITUTION AND PURPOSE OF THE COMMITTEE

The Sporting Injuries Committee is constituted under Section 7 of the Sporting Injuries Insurance Act 1978 which principally provides for the payment of benefits to successful applicants under the insurance scheme and to meet related costs. The Scheme is available to the sporting community of New South Wales.

The Sporting Injuries Fund has been established by the Committee, as required by Section 11 of the Act, to facilitate administration of the Scheme.

The Committee has also established the Supplementary Sporting Injuries Fund, as required by Section 11A of the Act, to provide benefits for school children who are seriously injured when engaged in organised school sport and persons injured while participating in certain programs conducted or sanctioned by the NSW Department of Sport and Recreation.

#### Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Financial Statements

- (i) These financial statements have been prepared on the basis of historical cost except for:
  - the reporting of property, plant and equipment which are valued at fair value, and
  - the reporting of investments which are measured at net market value at the reporting date. Differences between the net market value of investments at the reporting date and their net market value at the previous reporting date (or cost of acquisition, if acquired during the reporting period) are recognised in the statement of financial performance.
- (ii) These financial statements are a general purpose financial report and have been prepared on an accrual basis.
- (iii) Proper accounts and records have been maintained for all of the operations of the Committee in terms of Section 41(1) of the Public Finance and Audit Act 1983.
- (iv) These financial statements have been prepared having regard to Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board: Urgent Issues Consensus Views and the Public Finance and Audit Act 1983.
- (v) Amounts shown in these financial statements have been rounded to the nearest thousand dollars.

#### (b) Property, plant, equipment and depreciation

Depreciation is calculated on a straight line basis to write off the cost of capital items of property, plant and equipment over their expected useful lives to the Committee and the rates applied are:

Furniture and fittings 14.3
Computer software 20.0
The agency is a not for profit entity.

#### Capitalisation policy

Property, plant and equipment are those assets with a useful life of more than one year and with a unit cost in excess of \$300.

#### Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (c) Net claims incurred

Net claims incurred include claims paid and the movement in the provision for outstanding claims liabilities. The provision for outstanding claims liabilities includes claims incurred but not yet paid, incurred but not yet reported and allowances for the costs of claims administration. An assessment of outstanding claims by independent actuarial consultants is undertaken to determine this liability and the central estimate of that liability is brought to account.

#### (d) Employee benefits

Compensated absences is the term used in the Notes to refer to annual and long service leave.

Liabilities for salaries and wages, annual leave and long service leave that are expected to be settled within 12 months are recognised and measured in respect of employees' services up to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

Sick leave is non-vesting and 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 that is expected to be settled after 12 months is measured on a present value basis. The present value method is based on remuneration rates at year end which are adjusted by factors developed by the NSW Treasury. This treatment is consistent with AASB 1028 – 'Employee Benefits'.

No employees have entitlements to non-monetary benefits which accumulate over time and hence, no liabilities exist.

Contributions are made by the Committee to various State superannuation schemes and the amount of each year's expense includes any movement in the superannuation provisions. Any unfunded superannuation liability is recognised as a liability and any prepaid superannuation contributions are recognised as an asset.

#### (e) Premiums

Premiums of the Sporting Injuries Fund comprise amounts charged to sporting organisations declared to be part of the Scheme. It is initially assessed on an estimate of the number of participants expected to register for the sporting period and on completion of that period adjustments are made in accordance with actual registrations.

Premium income is treated as earned from the date of attachment of risk. The earned portion of premiums received or receivable relating to the financial year is recognised as income.

#### (f) Contributions

Costs of the Supplementary Sporting Injuries Fund are met by NSW Treasury pursuant to notices served under Section 11B(2) of the Sporting Injuries Insurance Act, 1978. These recoupments from Treasury are classified as "Contributions".

Pending recoupment from the Treasury, the Act provides for the use of funds from the Sporting Injuries Fund which are repayable with interest.



#### Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (g) Injury prevention levies

During 2002/03 Parliament approved a major amendment to the NSW Sporting Injuries Insurance Act 1978 which enables declared sporting organisations under the Act to apply for, and be granted, an insurance exemption for a private scheme rather than participate in the Sporting Injuries Fund or to cover paid players or officials under Workers Compensation.

The exemption is only available to organisations that have been declared under section 5 of the Act and any applicant for the exemption must be able to satisfy the Committee that the insurance policy for which the exemption is sought must offer serious accident and death benefits equal to or better than those offered under the Sporting Injuries Fund.

A condition of the exemption is that the sporting organisation must pay an annual levy to the Committee. The levy is 10% of the premium that would otherwise be payable if the organisation was to participate in the Sporting Injuries Fund and the revenue from all such levies will be used to help fund the Committee's sports injury prevention and reduction program.

#### (h) Other Underwriting Expenses

Other underwriting expenses have been identified on the basis of a pro-rata assessment of the extent to which the total resources of the Committee are applied to its underwriting function. The rate used to apportion these costs has decreased from 37.5% in 2003-04 to 15% in 2004-05 based on an actuarial assessment of the claims handling expense.

### (i) Impact of Adopting Australian Equivalents to International Financial Reporting Standards

The NSW Sporting Injuries Committee will apply the Australian Equivalents to International Financial Reporting Standards (AEIFRS) from 2005-06.

The Committee is managing the transition to the new standards by utilising the resources of the WorkCover Authority of New South Wales to analyse the AEIFRS and Urgent Issues Group Abstracts to identify key areas regarding policies, procedures, systems and financial impacts affected by the transition.

As a result of this exercise, the following steps have been taken to manage the transition to the new standards:

- An internal committee of WorkCover Authority of New South Wales provided advice to the Committee in managing the transition;
- Actuaries have been engaged to provide advice to the Committee in relation to the impact
  of complying with AASB 1023 'General Insurance Contracts'. Specifically this advice dealt
  with the issues of the appropriate risk margins to be applied to the calculation of the
  outstanding claims liability and an assessment of the adequacy of the premium liability;
  and
- Liaised with the Audit Office of NSW in regards to the impact of AEIFRS.

The NSW Sporting Injuries Committee has determined the key areas where changes in accounting policies are likely to impact the financial report. Some of these impacts arise because AEIFRS requirements are different from existing AASB requirements (AGAAP). Other impacts are likely to arise from options in AEIFRS. To ensure consistency at the whole of government level, NSW Treasury has advised agencies of options it is likely to mandate for the NSW Public Sector. The impacts disclosed below reflect NSW Treasury's likely mandates (referred to as "indicative mandates").

#### Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Shown below are management's best estimates as at the date of preparing the 30 June 2005 financial report of the estimated financial impacts of AEIFRS on the Sporting Injuries Committee's equity and profit/loss. The Sporting Injuries Committee does not anticipate any material impacts on its cash flows. The actual effects of the transition may differ from the estimated figures below because of pending changes to the AEIFRS, including the UIG Interpretations and/or emerging accepted practice in their interpretation and application. The NSW Sporting Injuries Committee's accounting policies may also be affected by a proposed standard to harmonise accounting standards with Government Finance Statistics (GFS). However, the impact is uncertain because it depends on when this standard is finalised and whether it can be adopted in 2005-06.

#### a) Reconciliation of key aggregates

Reconciliation of equity under existing Standards (AGAAP) to equ	ity unde	er AEIFRS	:
	Sub Notes	30 June 2005** \$'000	1 July 2004* \$'000
Total equity under AGAAP		1,272	1,272
Defined benefit superannuation adjustment for change in discount rate	1	0	( 7)
Effect of discounting long term leave	2	2	1
Total Equity under AEIFRS		1,274	1,266
* = adjustments as at date of transition			
** = cumulative adjustments as at date of transition plus year ended 30 June 2005			
Reconciliation of surplus under AGAAP to under AEIFRS:			
Year ended 30 June 2005	Sub Notes	\$'000	
Surplus under AGAAP		0	
Defined benefit superannuation	1	7	
Long term leave	2	1	
Surplus under AEIFRS		8	

#### Sub Notes to the tables above

**1. AASB 119** *Employee Benefits* requires the defined benefit superannuation obligation to be discounted using the government bond rate as at each reporting date, rather than the long-term expected rate of return on plan assets. Where the superannuation obligation is not assumed by the Crown, this will increase the defined benefit liability (or decrease the asset in an overfunded position) and change the quantum of the superannuation expense.



#### **Note 2 Summary of Significant Accounting Policies (Continued)**

2. AASB 119 requires present value measurement for all long-term employee benefits where they are materially different to the nominal value. The Committee's current policy is to recognise long term leave using the present value method based on remuneration rates at year end which are adjusted by factors developed by the NSW Treasury.

An assessment of the present value method under AASB 119 shows that the result is not materially different from the nominal value of the leave and accordingly will measure these benefits at nominal value, thereby decreasing the employee benefits liability and changing the quantum of the annual leave expense.

#### b) Financial Instruments

In accordance with NSW Treasury's indicative mandates, the NSW Sporting Injuries Committee will apply the exemption provided in AASB 1 First-time Adoption of Australian Equivalents to International Financial Report Standards to not apply the requirements of AASB 132 Financial Instruments: Presentation and Disclosures and AASB 139 Financial Instruments: Recognition and Measurement for the financial year ended 30 June 2005. These Standards will be applied from 1 July 2005. None of the information provided above includes any impacts for financial instruments. However, when these Standards are applied, the likely impact will be to retained earnings (on first adoption) and the amount and volatility of surplus/deficit. Further, the impact of these Standards will in part depend on whether the fair value option can or will be mandated consistent with Government Finance Statistics.

#### c) Grant recognition for not-for profit entities

The Committee will apply the requirements in AASB 1004 Contributions regarding contributions of assets (including grants) and forgiveness and liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the current AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft (ED) 125 Financial Reporting by Local Governments. If the ED 125 approach is applied, revenue and/or expense recognition will not occur until either the Committee supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 may therefore delay revenue and expense recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these amendments is uncertain.

#### d) General Insurance Contracts

In accordance with NSW Treasury's indicative mandates, the NSW Sporting Injuries Committee will apply the exemption provided in AASB 1 *First-time adoption of Australian Equivalents to International Financial Report Standards* to not apply the requirements of AASB 1023 General Insurance Contracts for the financial year ended 30 June 2005. These standards will be applied from 1 July 2005. None of the information provided above includes any impacts for general insurance contracts. However, when this Standard is applied, the impact will be to decrease retained earnings by \$501,000.



671

(34)

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

	2005 <b>\$′000</b>	2004 \$'000
Note 3 PREMIUMS		
Premium notices issued Premium income adjustment	1,294 (589)	800 (133)
	705	667
Note 4 INVESTMENT REVENUE		
Interest on call and term deposits  Movement in market values: realised : unrealised	10 43 235	4 167 151
	288	322
Note 5 OTHER REVENUE		
Awards night ticket revenue	7	5
	7	5
Note 6 SALARIES AND EMPLOYEE PAYMENTS		
Staff costs Payments to Committee members	345 15	331 10
	360	341

Payments to Committee members are made in accordance with Premier's Guidelines.

#### **Note 7 OTHER OPERATING EXPENSES:**

Includes: Consultancy fees Audit fees – external Bad debts expense Research injury prevention scheme grants Sports safety awards	25 12 1 149 51	45 16 19 49 65
Note 8 NET CLAIMS INCURRED  Claims paid Movement in claims liabilities	516 155	382 (416)

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

#### Note 8 NET CLAIMS INCURRED Continued

		2005			2004	
Direct Business	Current Year \$'000	Prior Years \$'000	Total \$'000	Current Year \$'000	Prior Years \$'000	Total \$'000
Gross claims incurred and related expenses – undiscounted	733	( 67)	666	674	(720)	( 46)
Discount and discount movement – gross claims incurred	(91)	96	5	( 92)	104	12
Net claims incurred	642	29	671	582	(616)	( 34)

#### **Net Claims Incurred - Prior Years**

The undiscounted net claims incurred for prior years has increased due to the addition of new claims incurred for both the Main Scheme and the Supplementary Scheme for year ended 30 June 2004 when compared to our previous valuation. The movement also incorporates changes in the Actuarial assumptions for periods prior to 30 June 2004.

#### Note 9 RECEIVABLES

	2005 <b>\$'000</b>	2004 \$'000
Current		
Receivables Prepaid superannuation Prepayments	1,477 - 3	737 8
Перауппенть	1,480	751

#### **Superannuation**

Unfunded superannuation liabilities are recognised as a liability in the statement of financial position. Prepaid superannuation contributions are recognised as an asset.

Details of the Committee's liabilities and reserves under superannuation schemes relating to employees as at 30 June 2005 are as follows:

	Assessed Liability	Reserve Account	Net /	Asset
	2005 \$'000	2005 \$'000	2005 \$'000	2004 \$'000
State Authorities Non-Contributory Superannuation Scheme	-	-	-	8
State Authorities Superannuation Scheme	-	-	-	(3)
	-	-	-	5

#### FOR THE YEAR ENDED 30 JUNE 2005

#### Note 9 RECEIVABLES Continued

The 30 June 2005 assessment was calculated by the Pillar Administration Actuary, Mercer, where the key assumptions adopted by the actuary were:

	30 June 2005 %
Rate of investment return	7.0
Rate of general salary increase	4.0
Rate of increase in CPI	2.5

#### Note 10 OTHER FINANCIAL ASSETS – INVESTMENTS

Other financial assets comprise "at call" and fixed interest securities authorised by the Public Authorities (Financial Arrangements) Act, 1987.

	(Market Value) 2005 \$'000	(Market Value) 2004 \$'000
NSW Treasury Corporation AMP Henderson Global Investors UBS Asset Management (Australia) Ltd	1,897 - -	2,697 20 23
	1,897	2,740
Current Non-current	1,897	279 2,461
	1,897	2,740

Other financial assets are classified as current and non-current depending upon the amount expected to be consumed or converted into cash within 12 months of balance date.

Market valuations were provided by the investment managers with whom investments were placed.



#### **Note 11 FINANCIAL INSTRUMENTS – TERMS, CONDITIONS AND ACCOUNTING POLICIES**

The accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at the balance date, are as follows:

Recognised Financial Instruments	Statement of Financial Position	Accounting Policies	Terms and Conditions
	Notes		
Financial Assets			
Cash assets	18	Short-term deposits are stated at net realisable value. Interest is recognised in the statement of financial performance when	Cash deposits are at call. The rate for cash in the cash facility averaged 5.6% during the year. (2004: 5.23%)
		earned.	(200 0.20 /0/
Receivables	9	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised	Contributions are payable on dates specified.
		when collection of the full	
		nominal amount is no longer probable.	
Other financial asso – Investments	ets 10	Investments are stated at net realisable value. Interest and movements in market value are recognised in the statement of	The Committee's investments are represented by a number of units of a managed investment pool. The fund manager
		financial performance when earned.	responsible for managing the fund appoints and monitors fund
			managers and establishes and monitors the application of appropriate investment
			guidelines.
Financial Liabilitie	25		
Payables –	13	Liabilities are recognised for	Trade liabilities are normally
Trade creditors and accruals		amounts to be paid in the future for goods and services received, whether or not billed to the Committee.	settled no later than the end of the month following the month in which an invoice is received. Treasury Directions 219.01 allows the Minister to award interest for late payment.

The Committee has no unrecognised financial instruments.



### Note 11 FINANCIAL INSTRUMENTS – TERMS, CONDITIONS AND ACCOUNTING POLICIES (Continued)

#### **Net fair values**

The financial assets and liabilities are carried at net fair value.

#### **Exposure to risk**

The use of financial instruments exposes the Committee to two main types of risk:

1. Price risk is the risk of fluctuation in the value of a financial instrument as a result of changes in circumstances pertaining to any one or more of three risk elements:

*Market:* value fluctuations due to changes in market price whether those changes are

caused by factors specific to the individual security or its issuer, or factors

affecting all securities traded in the market.

**Currency:** value fluctuations due to changes in foreign currency rates.

*Interest rate:* value fluctuations due to changes in market interest rates.

2. Credit risk is the risk of financial loss arising from another party to a contract or financial position failing to discharge a financial obligation thereunder.

The major risks are quantified below.

#### Market risk exposure

The exposure to market risk on financial instruments at the balance date and previous year is as follows:

Financial Instruments	Market Value	Market Value
	2005 \$'000	2004 \$'000
Financial Assets		
Investments in growth facility trusts	1,897	2,441
Total Financial Assets exposed to Market Risk	1,897	2,441
Cash	822	226
Receivables	1,577	751
Other investments	-	299
Total Financial Assets not exposed to Market Risk	2,399	1,276
Total Financial Assets	4,296	3,717
Financial Liabilities		
Trade creditors	138	118
Total Financial Liabilities not exposed to Market Risk	138	118
Market risk management		

At the overall market level, market risk is managed by matching investments with long-term claims and employee entitlements liabilities. At the individual security level, market risk is managed through diversification.

### Note 11 FINANCIAL INSTRUMENTS – TERMS, CONDITIONS AND ACCOUNTING POLICIES (Continued)

#### Interest rate risk exposure

The exposure to interest rate risks and effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, is as follows:

Financial Instruments	Weighted Average Effective Interest Rate	Floating Interest Rate	Non- Interest Bearing	Total
	<b>2005</b> %	2005 \$'000	2005 \$'000	2005 \$'000
Financial Assets				
Cash at bank	3.4	167	-	167
Cash in cash facility trusts	5.6	655	-	655
Receivables	N/A	-	1,577	1,577
Other investments	N/A		1,897	1,897
Total Financial Assets		822	3,474	4,296
Financial Liabilities				
Trade creditors	N/A		138_	138
<b>Total Financial Liabilities</b>		-	138	138

#### Interest rate risk exposure - Previous year

Financial Instruments	Weighted Average Effective Interest Rate	Floating Interest Rate	Non- Interest Bearing	Total
Third instruments	2004	2004 \$'000	2004 \$'000	2004 \$'000
Financial Assets				
Cash at ba <mark>nk</mark>	3.5	106	-	106
Cash in cash facility trusts	5.2	120	-	120
Receivables	N/A	-	752	752
Investments in fixed interest	3.2	299	-	299
Other investments	N/A	-	2,441	2,441
Total Financial Assets		525	3,193	3,718

#### FOR THE YEAR ENDED 30 JUNE 2005

### Note 11 FINANCIAL INSTRUMENTS – TERMS, CONDITIONS AND ACCOUNTING POLICIES (Continued)

#### **Financial Liabilities**

Trade creditors	N/A		118	118
Total Financial Liabilities		<u> </u>	118	118

#### Interest rate risk sensitivity and risk management

The Committee's outstanding claim liabilities are determined by projecting the expected claim payment cash flows in each future year, and then discounting the sum of these projected amounts using an average future rate that could be earned on a portfolio of government bonds.

Changes in interest rates are likely to be associated with changes in government bond rates, which due to the method of determining outstanding claims liabilities, will affect both financial assets and financial liabilities.

#### Credit risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of these assets as indicated in the statement of financial position.

#### Note 12 PROPERTY, PLANT AND EQUIPMENT

	2005 \$'000	2004 \$'000
Computer software		
At fair value	5	5
Less: accumulated depreciation	5	5
	0	0
Furniture and fittings		
At fair value	2	2
Less: accumulated depreciation	1	0
	1	2
Total property, plant & equipment	1	2



#### Note 12 PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) Movements during period:

Class of Asset	Balance as at 1/7/2004	Additions	Disposals	Depn W/Back on Disposal	Net Revaln Movements	Recoverable Amount W/Downs	Depn Expense	Balance as at 30/6/2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Furniture and Fittings	2	0	0	0	0	0	1	1
Computer Software	0	0	0	0	0	0	0	0
Total Property, Plant & Equipment	2	0	0	0	0	0	1	1

#### Note 13 PAYABLES

	2005 <b>\$'000</b>	2004 \$'000
Creditors	48	9
Accruals	99	124
Unearned premiums and injury prevention levies	501	157
	648	290

#### Note 14 OUTSTANDING CLAIMS

	2005 \$'000	2004 \$'000
Expected Future Claims Payments Discount to Present Value	2,626 (379)	2,477 (385)
Liability for Outstanding Claims	2,247	_2,092
Current Non-Current	767 1,480	726 1,366
	2,247	2,092

- (a) The weighted average expected term to settlement from the reporting date of the outstanding claims is estimated to be in the range of 2.2 years to 3.7 years (2.3 years to 3.7 years 2004).
- (b) The following average discount rates were used in measuring the liability for outstanding claims expected to be paid not later than one year:

	2005	2004
	%	%
Discount Rate	5.4	5.3



#### FOR THE YEAR ENDED 30 JUNE 2005

#### Note 14 OUTSTANDING CLAIMS (Continued)

(c) The following average discount rates were used in measuring the liability for outstanding claims expected to be paid later than one year:

	2005	2004
	%	%
Discount Rate	5.1-5.2	5.4

- (d) The liability brought to account is the amount recommended by consulting actuaries being their central estimate. Statutory provision provides assurances for the funding of the total liability.
- (e) As the benefits prescribed are fixed, no allowance has been made this year or in prior years for future claims inflation.

#### Note 15 PROVISIONS

	2005 \$'000	2004 \$'000
Current		
Employee benefits – Compensated absences Superannuation	33	62
	33	65

#### Note 16 CHANGES IN EQUITY

	Retained Surplus	
	2005 \$′000	<b>2004</b> \$'000
Balance at the beginning of the financial year  Total Changes in Equity – other than transactions with owners as owners	1,272	1,221
Surplus for the year	0	51_
Balance at the end of the financial year	1,272	1,272

### Note 17 RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO THE OPERATING SURPLUS FROM ORDINARY ACTIVITIES

	2005 \$'000	2004 \$'000
Operating surplus	0	51
Depreciation and amortisation	1	-
Increase/(decrease) in provision for outstanding claims	155	(416)
Changes in net market value of investments – unrealised	(235)	(155)
Changes in assets and liabilities		
(Increase)/decrease in receivables	(729)	607
Increase in creditors and accruals	14	30
Increase in provisions and unearned premiums	312	40
Net cash used in operating activities	(482)	157

#### Note 18 RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, 'cash' includes cash on hand and cash at bank and 'at call' investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year, as shown in the Statement of Cash Flows, is reconciled to the related items in the Statement of Financial Position as follows:

	2005 \$'000	2004 \$'000
Cash assets	822	226
	822	226

#### Note 19 INSURANCES

The Committee is insured for the following risks as part of a blanket cover taken out by the WorkCover Authority of NSW with the Treasury Managed Fund:

#### **Risk Covered**

Public liability	Workers compensation	Errors and omissions
Property	Group/Personal/Accidental/Travel	Industrial special risks
Motor vehicles	Crime and computer crime	madsar special risits

#### Note 20 CONTINGENT LIABILITIES

There are no known contingent liabilities (2004 – NIL).

#### Note 21 RELATED PARTY TRANSACTIONS

The Committee receives administration support from the WorkCover Authority of New South Wales. This includes human resources, information technology, maintenance and support, legal advice, purchasing and procurement of goods and services and vehicle fleet administration. The Committee pays WorkCover an administration fee for these services. For the current year the Committee paid an amount of \$20,000 (2004 – \$23,000).

The Committee also receives accounting support from the WorkCover Authority of New South Wales, and pays an accounting fee for these services. For the current year the Committee paid an amount of \$17,000 (2004 – \$13,000).

#### Note 22 COMMITMENTS

Under the Research and Injury Prevention Scheme the NSW Sporting Injuries Committee approves research grants where the primary or a major purpose of the project is to contribute to a reduction in the incidence or severity of serious sporting injuries.

The project must achieve its purpose through either applied research to identify and implement safer sporting practices, or educational and promotional strategies to increase awareness and change behaviour.

The Committee has committed \$96,320 at 30 June 2005 (Nil 2004) to research grants that will be paid upon the satisfactory completion of the various stages of the research project.



#### Annexure A

#### COMPARATIVE STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2005

,	Funds					
	Sporting Supplementary					
	Injuries Fund		Sporting Injuries Fund		TOTAL	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Revenues						
Premiums	705	667	-	-	705	667
Contributions	-	-	500	(197)	500	(197)
Net claims incurred	(300)	(248)	(371)	282	(671)	34
Other underwriting expenses	(104)	(248)	(19)	( 39)	(123)	(287)
<b>Underwriting Result</b>	301	171	110	46	411	217
Grants	-	-	-	-	-	-
Investment and other revenue	350	348	-	-	350	348
General and administrative expenses*	(651)	(468)	(110)	( 46)	(761)	(514)
	(301)	(120)	(110)	( 46)	(411)	(166)
Operating surplus  Total changes in equity – other than those	0	51	-	-	0	51
from transactions with owners as owners	0	51	-	-	0	51

<sup>\*</sup>Certain committee operations have been adjusted to eliminate minor transactions between both funds.

#### Annexure B

#### COMPARATIVE STATEMENT OF FINANCIAL POSITION

as at 30 June 2005

Assets
Receivables*
Other financial assets
Other
Total Assets
Liabilities
<b>Liabilities</b> Outstanding claims
Outstanding claims

Funds							
	rting s Fund	Supplementary Sporting Injuries Fund		Sporting Injuries		тс	TAL
2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000		
546	213	934	538	1,480	751		
1,897	2,740	-	-	1,897	2,740		
823	228	-	-	823	228		
3,266	3,181	934	538	4,200	3,719		
1,361	1,577	886	515	2,247	2,092		
633	332	48	23	681	355		
1,994	1,909	934	538	2,928	2,447		
1,272	1,272	-	-	1,272	1,272		

<sup>\*</sup>Receivables and other liabilities have been adjusted to eliminate minor transactions between both funds.

### Annexure C

### COMPARATIVE STATEMENT OF CASH FLOWS for the year ended 30 June 2005

	Funds					
	Sporting Injuries Fund		Supplementary Sporting Injuries Fund		TOTAL	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
OPERATING ACTIVITIES						
INFLOWS						
Premiums	781	788	-	-	781	788
Contributions	-	-	105	338	105	338
Other	113	240	( 1)	(23)	112	217
(OUTFLOWS)						
Claims paid	(516)	(197)	-	(185)	(516)	(382)
Administration and other costs	(769)	(644)	(104)	(130)	(873)	(774)
Other	(91)	(30)	-	-	(91)	(30)
Net Cash used in Operating Activities	(482)	157	-	-	(482)	157
INVESTING ACTIVITIES	1,078	( 8)	-	-	1,078	(8)
NET INCREASE/(DECREASE) IN CASH	596	149	-	-	596	149
Cash at beginning of financial year	226	77	-	-	226	77
Cash at end of financial year	822	226	-	-	822	226

#### BUDGET STATEMENT

Budget 2004/2005 \$'000	Actual 2004/2005 \$'000
845	705
643	500
(1,107)	(671)
(125)	(123)
256	411
57	55
180	295
(847)	(761)
(610)	(411)
(354)	-



# NEW SOUTH WALES SPORTING INJURIES COMMITTEE

Level 4, 92-100 Donnison St,

Gosford NSW 2250

Telephone: 02 4321 5392

Facsimile: 02 9287 5392

ABN 22 678 697 920

