



2024-25

MOTOR ACCIDENTS INSURANCE BOARD

ANNUAL REPORT



VISION STATEMENT

SUPPORTING PEOPLE IMPACTED BY ROAD TRAUMA

PURPOSE

Deliver a sustainable high quality personal injury scheme by:

- Recognising and delivering client-centred outcomes and acting fairly, within our scheme;
- Providing a safe and supportive workplace for our people;
- Partnering with quality providers;
- Maintaining financial sustainability and affordable premiums;
- Contributing to making Tasmania's roads safer; and
- Making a valued contribution to the Tasmanian community.

OUR VALUES

The MAIB's values are:

- **Connection:** we engage and collaborate with our community to make a difference;
- **Commitment:** we are accountable to our clients and each other to deliver on our purpose with integrity; and
- **Compassion:** we support everyone as an individual with empathy, respect and dignity.

CONTENTS

Overview	2
Governance Structure	3
Chair and CEO Review	4
Claims Management	6
Corporate Governance	8
Board of Directors	10
Statement of Corporate Intent	12
Road Safety and Community Involvement	14
Clients Achieving	17
Timeline of Achievements	18
Our People	20
Financial Report	21
Appendix	64

The Motor Accidents Insurance Board acknowledges the traditional owners of the land on which we work. We pay our respects to Elders past and present, and to the Tasmanian Aboriginal community that continues to care for Country.

DEDICATED SERVICE

UP TO 5 YEARS	5 - 10 YEARS
Abbie	Nathan 6
Courtney	Aidan 6
Darcie	Shanay 6
David	Emma 6
Jacqueline	Evan 7
Jacque	Keryn 7
Krystal	Chelsea 7
Louise	Teena 8
Simone	Josie 9
Tegan	Paul 10
Ulash	
10 - 15 YEARS	OVER 15 YEARS
Angela 1	Jade 12
Britney 1	Stephen 14
Cathryn 1	Jocelyn 15
Danika 1	
Jemima 1	
Kate 1	
Keelan 1	Laura 16
Matthew 1	Catherine 16
Sonya 1	Sara 16
Kelly 2	Annet 17
Vince 2	Kristy 23
David 3	Peta 23
Kristen 3	Angie 23
Lance 3	Jane 24
Duane 4	Ann 28
Suellen 4	Ian 34
Shay 4	Jo 36
Clare 4	Derek 37
Bron 5	Linda 40

OVERVIEW

The Motor Accidents Insurance Board (MAIB) was established pursuant to the *Motor Accidents (Liabilities and Compensation) Act 1973* (Act) and is constituted as a Government Business Enterprise (GBE) under section 6 of the *Government Business Enterprises Act 1995* (GBE Act).

The MAIB commenced operations on 1 December 1974 and is the sole provider of compulsory third party (CTP) personal injury motor accident insurance in Tasmania.

The Tasmanian Economic Regulator provides independent pricing oversight of MAIB premiums.

Benefits of the Tasmanian scheme include:

- “No-fault” statutory compensation for people who sustain fatal or personal injury as a result of a motor accident;
- “No-fault” lifetime care and support for the catastrophically injured;
- Common law damages when injuries result from the negligence of another party;
- Indemnity for negligent motor vehicle owners or drivers for common law personal injury damages actions; and
- “No-fault” payments which allow early access to compensation.

The scheme is fully funded at no cost to the State or its residents, other than the cost of premiums for motor vehicle owners.

CLAIM BENEFITS

Scheduled Benefits

The provisions for scheduled benefits allow people injured as a result of a motor vehicle accident to receive benefits irrespective of fault, allowing benefits and rehabilitation to be made available without delay.

Scheduled benefits include the payment of:

- Reasonable medical and other health professional costs;
- Ambulance transport and hospital treatment costs;
- Attendant care costs;
- Reasonable travel costs for medical treatment;
- Disability allowance (income replacement);
- Housekeeping allowance;
- Funeral expenses;
- Death benefits; and
- Counselling fees for relatives of people fatally or seriously injured.

Limitations and caps apply to all benefits except for clients requiring lifetime care.

Clients who require lifetime care as a result of catastrophic injuries have access to unlimited scheduled benefits and support.

Common Law

Clients can take action for damages for personal injury or death where the fault of another party can be established. There is no threshold restricting access to common law. There is an indexed threshold of \$7,000 for non-economic loss, while future economic loss is limited to a maximum of three times adult average weekly earnings. Time limits apply for the commencement of actions for damages.

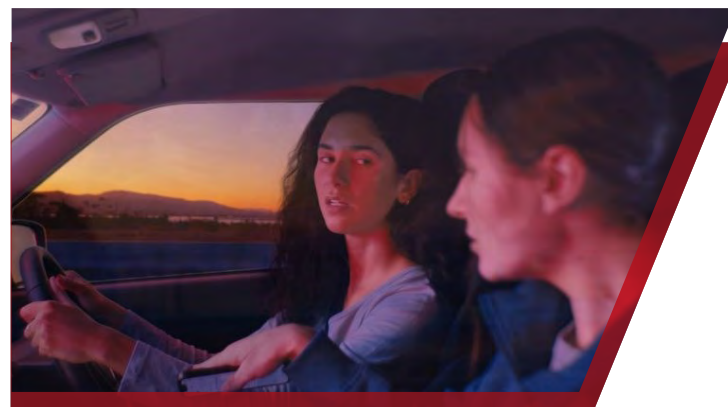


Image from “Over is Over” campaign

GOVERNANCE STRUCTURE

As at 30 June 2025:

Shareholding Ministers

Portfolio Minister:

The Hon Eric Abetz MP

Treasurer:

The Hon Guy Barnett MP

Board of Directors

Chair:

Lance Balcombe

Directors:

David Blunt

Kristen FitzGerald

Kate Gillies

Vince McLenaghan

Executive Management Team

Chief Executive Officer:

Paul Kingston

Chief Financial Officer:

Derek Thurm

Executive Manager, Engagement, Communications & Governance:

Courtney Hayles

STATEMENT OF COMPLIANCE

The Hon Kerry Vincent MLC, Minister for Infrastructure and Transport

In accordance with section 55 of the *Government Business Enterprises Act 1995*, we hereby submit for your information and presentation to Parliament, the report of the Motor Accidents Insurance Board for the year ended 30 June 2025. The report has been prepared in accordance with the provisions of the *Government Business Enterprises Act 1995*.

Signed in accordance with a resolution of the Directors:

Dated: 21 August 2025

Lance Balcombe
Chair

Kate Gillies
Director

CHAIR AND CEO REVIEW

On behalf of the Board and management of the Motor Accidents Insurance Board, it is our pleasure to present the 2024-25 Annual Report.

The MAIB recorded a strong operating profit for the year, following above budget investment returns and lower than expected claims costs.

Financial Results

The operating result before tax for the year is a profit of \$115.9 million (2023-24: \$95.7 million).

The financial result is determined primarily by the impact of premium revenue, net investment income and the claims expense. The contribution of these factors is highlighted in the table below.

Major contributions to business outcomes 2024-25

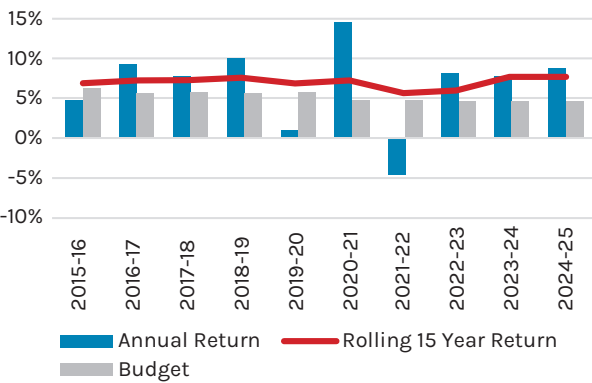
2024-25	Budget \$M	Actual \$M	Variance \$M
Premium income	155.3	157.9	2.6
Net investment income	97.4	177.9	80.5
Claims expense	(191.4)	(187.2)	4.2
All other factors	(33.1)	(32.7)	(0.4)
Profit/(loss) before tax	28.2	115.9	87.7

Investments

The MAIB adopts a diversified investment strategy which seeks to maximise long-term returns within acceptable bounds of risk. The portfolio is invested in a range of asset classes including domestic and international equities, infrastructure, property, diversifying alternatives, Australian bonds and cash. The investment strategy is reviewed annually, with reference to the long-term nature of the outstanding claims liability, and the requirement to maintain a balance between the achievement of sustainable commercial rates of return for the Government and premium affordability.

The strategy is subject to short-term volatility in financial markets, which can create variations in annual returns. The portfolio generated a net gain of \$177.9 million in 2024-25, which represents an annual return on investment of 8.5 per cent compared to 7.2 per cent in 2023-24.

The following chart illustrates the volatility of annual investment returns compared to long-term returns.



Claims Expense

The claims expense comprises the combined impact of the cost of claims and the movement in economic assumptions (discount and inflation rates) underlying the valuation of the outstanding claims liability.

During 2024-25, the final claims expense reported was marginally lower than budget, primarily due to the net impact of reductions arising from revisions to economic assumptions during the year.

	Change (\$M)	Total (\$M)
Forecast (as at 1 July 2024)		191.4
Revisions to costs of claims	2.2	
Updated discount and inflation rates	(6.4)	
Total revisions		(4.2)
Actual (as at 30 June 2025)		187.2

Capital Position

MAIB's capital position is measured by its funding ratio (insurance assets as a percentage of net claims liabilities). Based on actuarial advice, a target range of 120-145 per cent has been established, which takes account of volatility in financial results and the desire for a high degree of confidence that the ratio will be at least 100 per cent. The scheme remains positioned around the midpoint of the target range with a funding ratio of 134.6 per cent as at 30 June 2025 (2024: 133.7 per cent).

Dividend to Government

The agreed dividend policy with Government sets the payout ratio based on a sliding scale linked to the MAIB's funding ratio and total comprehensive results averaged over five years. The payout ratio at the end of 2024-25 is 55 per cent, resulting in a recommended dividend to Government of \$47.3 million.

Service

Throughout the year, the MAIB has continued its focus on quality client service and early engagement to improve the management of claims and client outcomes. An annual independent client satisfaction survey of clients was undertaken during the year. A high client satisfaction rating was achieved, with an overall score of 85.2 per cent.

Claims

New claims received in 2024-25 totalled 1,991, an increase of 1.9 per cent compared to the previous year, and equating to an annual claim frequency of 3.2 claims per 1,000 registered vehicles (3.2 in 2023-24).

Premiums

Following receipt of actuarial advice, general premium indexation of 3.0 per cent was applied to motor vehicle premiums during the year. A small number of vehicle classes also received relativity increases, as provided for under the current Premiums Order. The total annual premium increase comprising general indexation and relativity adjustments equated to 3.3 per cent. The MAIB's premium for a motor car remains the lowest of all state and territory schemes, while providing arguably the most comprehensive benefits of all schemes.

This financial year, the Tasmanian Economic Regulator began its review of MAIB pricing policies with the final report released in July 2025.

Road Safety

Tasmania reported 43 fatalities in 2024-25, which was an increase of 13 per cent compared to 2023-24 (38 fatalities). Despite the increase in fatalities, the serious injury claims received by the MAIB have remained similar to previous years. Tasmania is currently not achieving its goal of reducing the annual number of serious injuries and fatalities on Tasmania's roads, as per the Towards Zero Strategy 2017-2026.

Road Safety Funding and Community Support

MAIB has responded to this increased road trauma by providing additional funding to support road safety initiatives. In 2024-25, MAIB provided in excess of \$5.6 million to a wide range of community, government and other organisations in Tasmania through various funding arrangements, grants and sponsorships. The funding primarily focused on efforts to improve road safety and motor accident outcomes and included a \$4.5 million contribution to the education and enforcement strategies of the Road Safety Advisory Council.

MAIB also continued to actively support road safety improvements and collaborate with road safety education and enforcement partners. Other supported activities include grants for charities that support Tasmanians living with a brain injury or spinal injury, funding for road trauma support services and educational programs.

Acknowledgments

We would like to acknowledge all staff for their continued commitment, dedication and professionalism throughout the year. We extend our thanks to them for facilitating the care and support provided to the MAIB's clients and recognise the management team for leading the organisation.

Naomi Walsh, who served the MAIB for six years as Director and Chair of the Audit Committee, completed her term on 31 December 2024. Fellow Director, and Chair of the Claims Committee, John Hindmarsh retired on 20 December 2024 after serving for five years. We thank them both for their contributions and leadership throughout their terms.

This year we welcomed David Blunt to the Board. We wish to recognise the Directors for their contribution, expertise and stewardship throughout the year.



CLAIMS MANAGEMENT

Our Year in Review

- 1,991 new claims received
- 98.6 per cent of new claims assessed within one business day of receipt
- 85.2 per cent client satisfaction score
- \$121.0 million in benefits paid to care for injured clients
- 152 common law matters settled

Support for Our Clients

The MAIB assists people recovering from or living with injuries which result from motor vehicle accidents. We fund a range of treatment and support services for eligible people, regardless of who was at fault. We aim to maximise the recovery of our clients by providing support for people to return to their pre-injury health and independence as soon as possible.

The MAIB also provides compensation to people by way of common law damages where injuries have resulted from the fault of another party.

Claims Performance

In 2024-25, the MAIB supported 1,991 new clients involved in motor vehicle accidents. This represented an increase of 38 claims received compared to the previous year.

We assessed 100 per cent of claims lodged in 2024-25. We made 94.8 per cent of first contact calls within one business day, continuing our focus on prompt assessment and notification of new claim progress. A strong client satisfaction score of 85.2 per cent was achieved, reflecting our commitment to delivering a high level of service to our clients.

In total, \$121 million of benefits were paid this year to assist people to recover after their accident. This represents an increase of \$11 million from 2023-24, primarily due to rising health care costs and an increase in the future care costs.

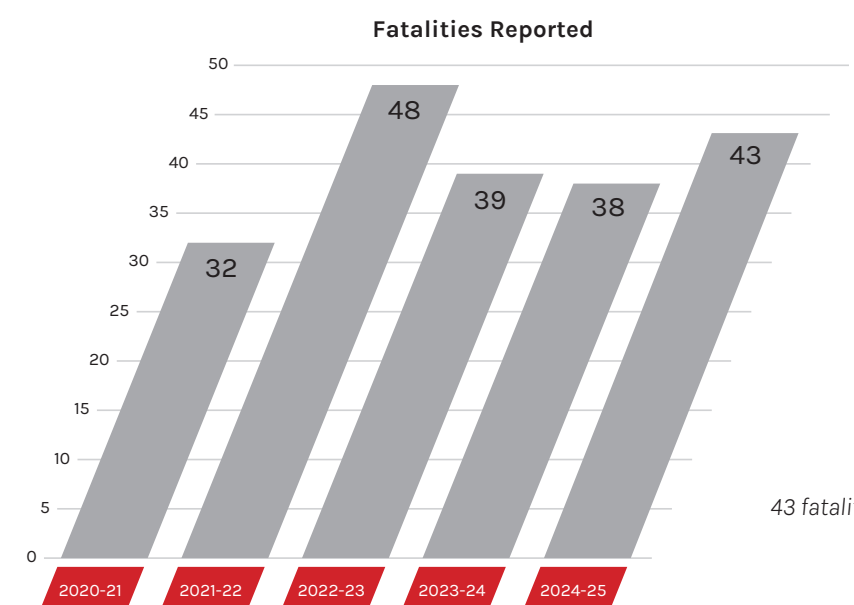
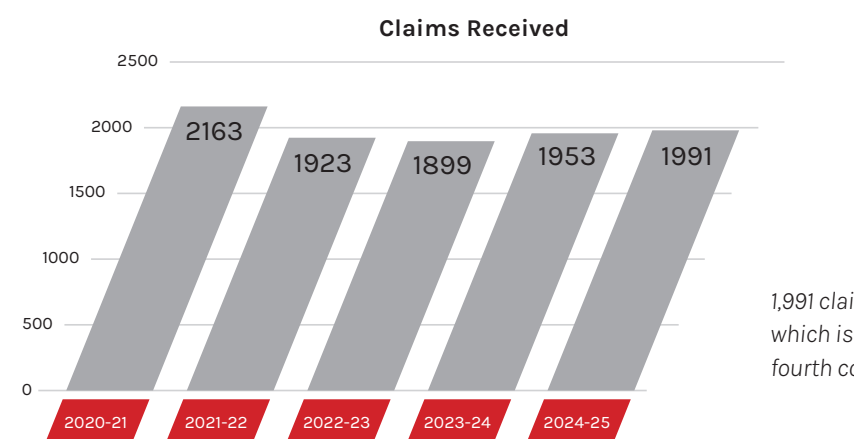
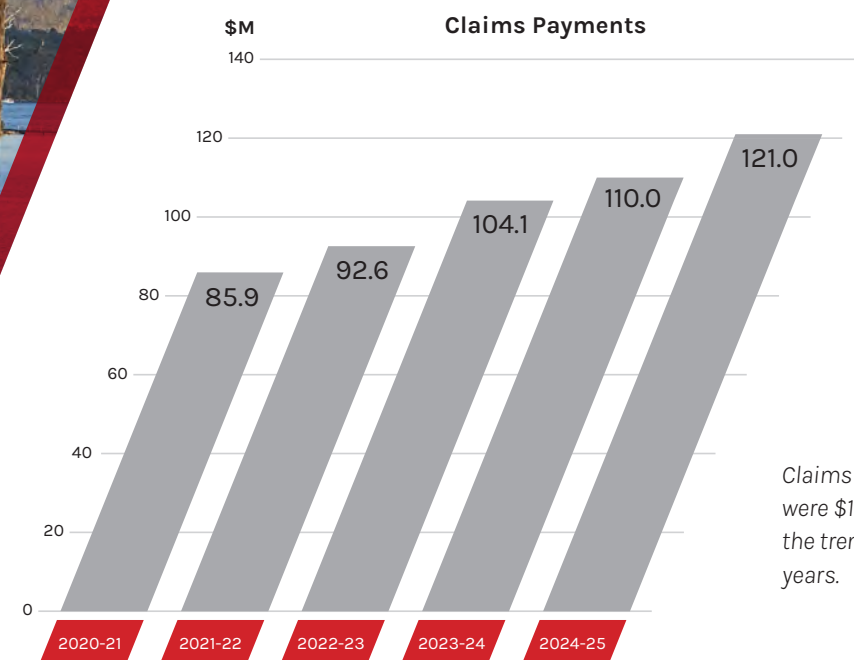
The MAIB's Future Care program funds ongoing treatment and services for people who have sustained significant injuries (for example, spinal cord or acquired brain injuries) and require lifetime care. There are currently 106 clients receiving lifetime care, with the MAIB funding \$24.8 million for attendant care, support and treatment in 2024-25.

Improving Services for Clients

As part of the MAIB's continuing desire to improve services for clients, we have been actively reviewing and improving our work practices by assessing what the future state could look like with a greater client focus for the daily management of claims.

Through this successful review, we have implemented two team portfolios - Supported Claims and Serious Injury Claims streams. Both teams have transitioned to individual portfolio management, assisting clients with greater proactive and holistic client focus work.

The change in work practices has resulted in positive client feedback, coupled with greater job satisfaction, and we will retain our focus on continuous improvement for the benefit of our clients in 2025-26.



CORPORATE GOVERNANCE

Legislative Authority

The MAIB was established pursuant to the *Motor Accidents (Liabilities and Compensation) Act 1973* (the Act) and is constituted as a Government Business Enterprise (GBE) under section 6 of the *Government Business Enterprises Act 1995* (GBE Act).

Corporate Plan and Ministerial Charter

In accordance with the GBE Act, the MAIB has a Corporate Plan and a Ministerial Charter. The Corporate Plan provides a clear strategic direction for the next four years, including financial forecasts.

Risk Management

The MAIB has a risk management framework including a Risk Appetite Statement, Risk Management Policy, Risk Management Plan, Business Continuity Plan and an ICT Disaster Recovery Plan.

Risk identification, management and review, as well as compliance, are conducted continually. Formal reporting of compliance with, and the effectiveness of, the risk management framework and internal risk mitigation is made to the Board through the Audit Committee.

Pricing Policies

The Tasmanian Economic Regulator (the Regulator) provides independent pricing oversight in relation to MAIB's premiums. The Regulator undertook a review during 2024-25. Recommendations relating to premiums for the period from 1 December 2025 to 30 November 2029 will be implemented following the Government's consideration of the Regulator's Final Report (released in July 2025).

Board of Directors

In fulfilling its oversight role, the Board sets relevant performance targets for the business with a focus on achieving appropriate commercial returns, maintaining affordable premiums and delivering quality client outcomes. The Board reviews and approves strategies and policies that assist in the achievement of corporate goals and compliance with legislative requirements.

There are three committees to assist the Board with corporate governance and oversight responsibilities.

Audit Committee

The Audit Committee (constituted in accordance with section 16 of the GBE Act) meets regularly and assists the MAIB to fulfil its corporate governance and oversight responsibilities relating to:

- Financial reports and reporting processes;
- Internal control structures and monitoring;
- Risk management; and
- Internal and external audits.

Claims Committee

The Claims Committee meets regularly to:

- Consider settlement decisions on larger claims; and
- Approve settlements between \$400,000 and \$1,000,000 (the full Board is required to approve settlements of \$1,000,000 or more).

Injury Prevention and Management Foundation Committee

The Foundation Committee meets as required to:

- Assess all project funding applications; and
- Provide recommendations to the Board on projects to be funded.

Board Processes

There are several processes in place to manage Board performance.

Evaluations

The MAIB has external (every three years) and internal (annual) processes to conduct performance assessments of the Board, its committees, individual Directors and the Chair.

An internal evaluation of the Board, committees, individual Directors and the Chair was undertaken in 2024-25.

Director Induction, Education and Training

The Board has a Director Induction, Education and Training policy, which provides Directors with an understanding of corporate expectations, as well as appropriate support for their ongoing education and training.

Code of Conduct

The MAIB has a Code of Conduct for Directors. This is reviewed every two years and is available to the public on the MAIB website.

The Board has oversight of work health and safety requirements for the MAIB, including compliance with obligations outlined in the *Work Health and Safety Act 2012*. The Board provides the framework to protect the health, safety and welfare of all workers, exercising due diligence and monitoring management activities to ensure compliance with obligations in the Act.

CEO Performance Review

An annual review of the Chief Executive Officer's performance is conducted by the Board. The review includes MAIB's business performance, achievement of strategic objectives, service delivery, leadership and risk management (addressing the requirements under section 20B of the GBE Act).

Nominations

The Board as a whole is responsible for:

- Considering the required skills and appointment of Directors;
- Reviewing succession plans; and
- Conducting the annual Board performance evaluation process.

Remuneration Report

The MAIB has complied with the Guidelines for Tasmanian Government Businesses - Director and Executive Remuneration for the year ended 30 June 2025. Remuneration levels for key management personnel are set in accordance with these Guidelines.

Under these Guidelines, the CEO's salary is set by the Board of Directors within the allowable remuneration band as set by the Government. Other senior executive salaries are set to not breach the prescribed thresholds.

The performance of each senior executive, including the CEO, is reviewed annually in accordance with a review of the performance of the business relative to its strategic objectives. No short-term incentive payments or bonuses are paid to any member of the senior executive.

Further disclosures on senior executive remuneration are contained in note 21 of the financial report.

BOARD OF DIRECTORS



LANCE BALCOMBE BCom, FCA, MAICD Chair (Independent) Appointed: 17 December 2022 Director (Independent) Appointed: 2 August 2021 to 16 December 2022 Member: Audit Committee Foundation Committee (Chair) Lance is a Chartered Accountant with a combined 40 years' experience in public practice and senior executive roles in the Tasmanian private and State-Owned Company sectors. Until March 2021, Lance served as the inaugural Chief Executive Officer of Tasmanian Networks Pty Ltd (Tasmania's transmission and distribution network service provider). Prior to that, Lance was the Chief Financial Officer at Hydro Tasmania and also served as the Chief Financial Officer of the Incat group of companies. Lance is Chair of the Ian Harrington Group (Roadways) and a Director of Liferaft Systems Australia Pty Ltd and of No Interest Loans Network of Tasmania Limited. He also operates his own business advisory firm, Wallasey Advisory Pty Ltd.	DAVID BLUNT BA, CAIA, GAICD Director (Independent) Appointed: 20 December 2024 Member: Audit Committee Claims Committee David is an institutional fiduciary investor and non-executive director. His professional experience spans a range of functions including capital markets, funds and investment management, governance, and risk management. David is currently Head of Growth Assets at Perpetual Private where he is responsible for managing several investment programmes. Prior to Perpetual Private, David held roles with ANZ and MLC. David is also a non-executive director of the Utilities of Australia.	KRISTEN FITZGERALD MBBS (Hons), FRACGP, MPH & TM, AFANZAHPE, GAICD Director (Independent) Appointed: 1 October 2021 Member: Claims Committee Foundation Committee Kristen is a medical practitioner with over 25 years' experience in clinical care, population health and medical education. She continues to provide direct patient care as a General Practitioner in Tasmania. Kristen commenced as a board member of the Tasmanian Board of the Medical Board of Australia in 2014, becoming Chair in 2020.
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KATE GILLIES BEc (Hons), CPA, GAICD Director (Independent) Appointed: 1 January 2024 Member: Audit Committee (Chair) Kate has over 20 years' experience working in both government and privately owned businesses. Kate has served in senior executive roles leading a wide range of functions, including finance, revenue generation, human resources, strategy, information technology, internal audit and stakeholder engagement. Kate is currently the Chief Financial and Commercial Officer at Hobart Airport. Prior to that, she worked as the General Manager, People and Commercial Services of Aurora Energy and Deputy CFO of Hydro Tasmania.	VINCENT MCLENAGHAN GAICD, SNR ASSOC ANZIFF Director (Independent) Appointed: 27 March 2023 Member: Audit Committee Claims Committee Vince is an experienced executive and director with 45 years' experience in the insurance industry, across all facets of insurance operations, in Australia and internationally. Until January 2021, Vince served as Executive Vice President of a US domiciled insurance group with operational oversight of business units located in Europe, Asia, Latin America and the USA. Vince is also a director of a private investment company.	JOHN HINDMARSH MBA, GAICD Director (Independent) Appointed: 1 February 2020 Member: Claims Committee (Chair) John retired from the Board in December 2024.	NAOMI WALSH FCA, GAICD, MBus Director (Independent) Appointed: 1 January 2019 Member: Audit Committee (Chair) Naomi retired from the Board in December 2024.
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STATEMENT OF CORPORATE INTENT

Introduction

This Statement of Corporate Intent (SCI) is a high-level summary of the Corporate Plan and includes a performance agreement between the Board of the MAIB and the Shareholding Ministers.

The performance agreement details the key financial and non-financial targets for the MAIB for 2024-25, as agreed between the Board and the Shareholding Ministers through the corporate planning process.

The SCI has been prepared in accordance with the *Government Business Enterprises Act 1995* (GBE Act) and the corporate planning and reporting process for 2024-25.

Strategic Direction

The core business of the MAIB is to provide compulsory third-party personal injury motor accident insurance and deliver appropriate support for people impacted by road trauma in Tasmania.

The three main drivers of business performance are premiums, investment income and claims expense. Major external influences include claims rates and severity, financial market impact on investment revenue, and changes in inflation and prevailing bond yields which impact claims expense. While every attempt is made to monitor and navigate these external influences, it is not possible to predict annual profits with certainty, leaving forecasts open to significant volatility.

The following strategic goals were identified for the planning period:

Client-centred outcomes

Recognising and delivering client-centred outcomes and acting fairly within our scheme.

Maximise recovery and everyday life through quality client service and focusing on what matters most to our clients as individuals.

Maintain financial sustainability

Maintain a well-funded scheme that maximises value for the State and provides sustainability.

Deliver sustainable financial outcomes that optimise the risk/return objectives and demonstrate strong governance.

Contributing to making Tasmanian roads safer

Actively support accident prevention and injury management initiatives to assist in reducing the frequency, severity and impact of motor accidents in Tasmania.

Be a key influence on, and participant in progress towards zero serious road casualties, including funding targeted road safety services and initiatives and influencing good road safety outcomes.

Safe and supported workforce

Provide a safe and supported workplace focusing on staff wellbeing, where people are valued, motivated, engaged, accountable and focused on client-centred outcomes. Be recognised as an employer of choice, where talent attraction and retention are prioritised.

Enhanced client experience through continuous improvement

Continue to improve efficiency, accuracy and robustness of all business practices and systems to increase productivity, enhance client service and support effective decision-making, thereby creating enhanced work satisfaction for staff.

Community, provider and stakeholder engagement

Making a valued contribution to the Tasmanian community.

Partnering with quality service providers to provide client-centred outcomes.

Performance Agreement

Financial Returns to Government

	Target 2024-25	Actual 2024-25
Dividends paid (\$M)	37.6	37.6
Tax equivalents paid (\$M)	13.6	16.9
Total	51.2	54.5

Financial Targets

		Target 2024-25	Actual 2024-25
Financial result after tax (\$M)		22.6	83.4
Funding ratio (%)		132.3	134.6
Return on equity (%)	- 1 Year	3.4	12.0
	- 15 Years	15.5	16.1
Return on assets (%)	- 1 Year	1.3	5.1
	- 15 Years	6.0	6.3
Return on investments (%)	- 1 Year	4.5	8.5
	- 15 Years	7.1	7.4
Premium increase (%)		<2.5	3.0

Non-Financial Targets

	Target 2024-25	Actual 2024-25
General claim rate per 1,000 vehicles	3.5	3.2
Serious claim rate per 1,000 vehicles	1.0	1.0
Number of outstanding claims	<2,400	2,353
Client satisfaction (%)	>80.0	85.2
Premium affordability of AWOTE ¹ (%)	18.0	16.9

¹ Average weekly ordinary time earnings (AWOTE)

The MAIB met the majority of its financial and non-financial performance targets in 2024-25.

The financial result after tax of \$83.4 million was well above target, primarily due to the 8.5 per cent annual investment return. The funding ratio of 134.6 per cent is well placed within the target range of 120 per cent to 145 per cent.

The MAIB targets sustained long-term growth from its investment portfolio, mindful of the long-tail profile of the outstanding claims liability. This strategy is expected to meet the MAIB's requirements over the long-term, however, it introduces the possibility of short-term volatility.

Dividend payments of \$37.6 million were paid to the Tasmanian Government in accordance with the agreed dividend policy. Tax equivalent payments of \$16.9 million were marginally above target.

Following an actuarial review of the adequacy of premiums, general premium indexation of 3.0 per cent was applied, compared with a target of 2.5 per cent. This resulted in a Class 1 Motor Vehicle premium of \$298. The MAIB remains committed to premium affordability for motor vehicle owners and Tasmania continues to have the lowest compulsory third party premiums of all states and territories in Australia.

ROAD SAFETY AND COMMUNITY INVOLVEMENT

Road Safety and Community Involvement

Each year the MAIB works with other sectors of the Tasmanian community to promote safer driving, as well as advancing practices for the treatment and rehabilitation of injured people. This work supports MAIB's objectives of reducing the number and severity of accidents that occur on Tasmanian roads, as well as improving injury outcomes.

The MAIB proudly sponsors a range of community and road safety initiatives each year, including:

Road Safety Advisory Council (RSAC)

Established in 1996, the RSAC enforcement and public education program is an MAIB-funded initiative of the Department of State Growth, Tasmania Police and the MAIB. Funding of \$4.5 million was provided to the RSAC program in 2024-25.

The RSAC program has significantly grown in profile, and research has concluded that the program is perceived by the Tasmanian community as the pre-eminent independent face of road safety in Tasmania. RSAC's activities have contributed to a consistent and substantial decrease in the frequency of serious injury claims since being established.

Several road safety marketing campaigns were delivered through RSAC during 2024-25, including:

- Emergency services: We're looking out for you;
- Motorcyclist safety: You can't beat Tassie roads;
- Driving under the influence: Real Mates;
- Cyclist safety: Let's have each other's backs;
- School safety: Love 40;

- Fatigue: Driving tired? Wake up to yourself;
- Beyond the Crash video series; and
- Road Torque - short stories on road safety messages and the impacts of road casualty.

Injury Prevention and Management Foundation

The Injury Prevention and Management Foundation was established under the Act in 1993 to promote measures to reduce the number and severity of motor accidents and minimise the costs of the MAIB scheme to the Tasmanian community.

The Foundation funds research, education and service development programs directed towards the prevention of motor accidents and the reduction in the severity and improved management of injuries resulting from motor accidents. The priority areas of the Foundation are:

- Promoting and advancing road safety;
- Reducing the frequency and severity of injuries from road accidents;
- Improved access to quality medical, rehabilitation and long-term care services; and
- New development/techniques in areas of injury management.

The MAIB, through the Foundation, provides funding to a maximum of 1 per cent of gross premium revenue per annum.

Foundation Projects Funded in 2024-25

The projects approved for funding through the Foundation in 2024-25 were:

- Road Trauma Support Tasmania - Counselling and support for people who have been affected by a road crash;
- University of Tasmania - Tasmanian School of Medicine - Trauma Weekend;
- Royal Hobart Hospital Trauma Service and the Tasmanian Trauma Network - Expansion of statewide trauma team training;
- Elevate Occupational Therapy - Manual Handling Training Pilot Program;
- Campbell Town District High School - Beat the Stats - Drive to Survive, Quad Bike Training, and Emergency First Aid Training;
- ParaQuad Association of Tasmania - Delivering spinal cord injury prevention and information to Tasmanians;
- Yolla District High School - All-Terrain Vehicle Awareness Program;
- Lilydale District School - Quad Bike Training;
- Scottsdale High School - First Aid Training;
- Brain Injury Association Tasmania - Awareness Project and About Me Project; and
- Procure Group - Psychosocial Recovery Program.

The Foundation also reserves \$400,000 per year to support additional initiatives of the RSAC. In 2024-25, RSAC received \$50,000 through the Foundation to support the Road Safety Enforcement Allocation Model project.

Motorcycle Course: Returning Riders Road Skills Check Ride

The MAIB has provided subsidies for returning motorcycle riders since 2005. The current course, the Returning Riders Road Skills Check Ride is provided through the Tasmanian Government-contracted Motorcycle Training and Assessment Program provider. The MAIB provides \$150 towards the cost of the course.

Road Rescue Services Funding for Emergency Services

The MAIB provides annual funding to the Tasmanian Fire Service and State Emergency Service for road rescue services. In 2024-25, the total funding for these services was \$580,000.



2024 MAIB Disability Achievement Award winner Heidi La Paglia Reid (left) with MAIB's Teena James.

Tasmanian Community Achievement Awards

The Tasmanian Community Achievement Awards aim to encourage, acknowledge and reward the valuable contributions that individuals, groups, communities and businesses are making throughout Tasmania. As part of the Tasmanian Community Achievement Awards, the MAIB has sponsored the MAIB Disability Achievement Award since 2007, which recognises people living with a disability who are actively influencing and contributing to the community as well as achieving their personal goals.

The MAIB also sponsors the Community Safety Award. The award recognises individuals and groups who have, through their dedication and efforts, improved safety and/or reduced injury and harm in the community, whether that be on the roads or to specific groups, areas or activities.

2024 MAIB Disability Achievement Award

The 2024 winner was Heidi La Paglia Reid.

Heidi is a recognised disability rights advocate with over a decade of experience in policy and systemic advocacy. Heidi played a key role in shaping Australia's first National Autism Strategy and over multiple years led the policy work of Women With Disabilities Australia.

Locally, Heidi is committed to building up the disability community and has recently been working to address support gaps for autistic Tasmanians, following the closure of Autism Tasmania. Day to day, Heidi runs her own consultancy, helping organisations to advocate for and embrace disability rights, gender equality, and neuro-inclusion.

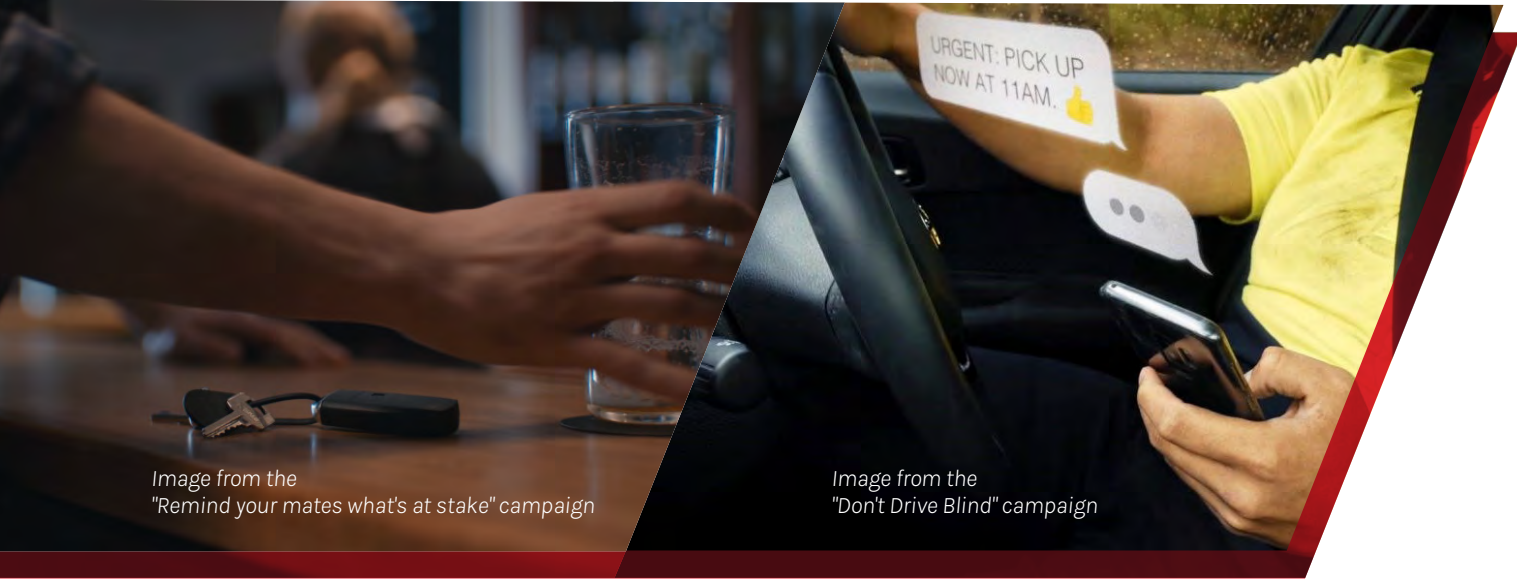


Image from the "Remind your mates what's at stake" campaign

Image from the "Don't Drive Blind" campaign



2024 MAIB Community Safety Award winner Rural Alive & Well with MAIB's Derek Thurm (second from right).

2024 MAIB Community Safety Award

The 2024 winner was Rural Alive & Well (RAW).

RAW is dedicated to enhancing mental health and preventing suicide in Tasmania's rural and remote communities. Over 15 years, this charitable organisation has grown from a grassroots initiative into a statewide force with 26 staff, offering proactive outreach and personalised support. Their programs focus on early intervention, resilience-building, and reducing the stigma around mental health. By employing staff with backgrounds in agriculture and rural industries, RAW creates genuine connections, helping break down barriers for those in need. Their impact is evident in the strengthened community ties, increased awareness, and improved mental fitness among Tasmania's rural population, ensuring mental health support is accessible.

Tasmanian Young Achiever Awards

The MAIB created the Excellence in Leadership Award in 2025. The awards, which was held in May 2025, recognises young people showing strong leadership ability, thinking creatively and acting decisively. Across community groups, business, government, education, health and emergency services, effective young leaders are emerging by displaying initiative, innovation, a desire for personal development and a commitment to excellence. Their positive approach to life and their influential and outstanding contributions to driving change and making a difference within our society are a credit to themselves and their communities.

2025 MAIB Excellence in Leadership Award

The 2025, and inaugural, winner was Laura Johnson.

Laura is committed to improving mental health outcomes. As the founder of THEIRS (Talk, Hear & Help, Educate, Inform, Refer & Support), Laura has led impactful initiatives, including events and programs reaching thousands of people.

Laura's advocacy focuses on mental health, suicide prevention, and youth empowerment, ensuring young people, especially in rural areas, have access to the support they need. Laura also influences policy, mentors youth, and drives systemic change through partnerships with local councils and statewide initiatives. She has been recognised for her efforts with the Order of Australia Medal and 2024 Heywire Trailblazer of Tasmania Award.

MAIB Road Safety Scholarship

In 2025, the MAIB created a scholarship to support two individuals working within the Department of State Growth (Transport Group) and the Tasmania Police (roads policing) to attend the 2025 Monash University Accident Research Centre's Road Safety Management Leadership Program. The successful candidates attended the course in March 2025. The course is designed for leaders focused on improving road safety and reducing injuries. The purpose of the scholarship is to upskill Tasmanians in world-best practices and approaches to road safety, and transfer those skills into their workplaces.

MAIB/Metro Nightrider

The MAIB, under the Real Mates banner, has funded the MAIB Nightrider service for the past 14 years. The MAIB Nightrider service comprises Metro buses being subsidised to operate on New Year's Eve in Hobart and Launceston, providing a low-cost option (\$2 flat fee) to get home safely for those celebrating.

Motor Accidents Injury Insurance Schemes

The MAIB is a member of the Heads of Motor Accidents Injury Schemes (HMAIS), which comprises the motor accident personal injury insurance bodies from all Australian states and territories as well as New Zealand. The HMAIS meets regularly to facilitate a shared understanding of trends and advancements in road safety as well as injury management and treatment. During 2024-25, the MAIB CEO chaired the HMAIS and MAIB staff participated in a number of subcommittees.



2025 MAIB Excellence in Leadership Award winner Laura Johnson (right) with MAIB's Courtney Hayles.



CLIENTS ACHIEVING

Meet Paul - artist, musician, outdoor enthusiast

It started after a mate commented on the number of guitars Paul had lying around and asked what he was going to do with them. Paul, who has had a guitar in hand since he was in the third grade, looked around and knew he didn't want to get rid of them. But what to do with them? Then inspiration struck, and Paul entered his artist's phase.

Paul began upcycling the guitars, turning each into an individual piece of art with its own story to tell. The first designs had cut-out shelves, and he quickly progressed to inserting clocks and lights, and creating skulls. An impressive piece is his uke-guitar-lele, both strung and playable.

Some of Paul's inspiration comes from his love of punk rock and metal music, tunes you can hear pumping as he sits out on his porch creating the pieces. Paul uses the jigsaw, like a painter uses a paintbrush, to bring his ideas to life with Pete, his support worker, on hand to help with the electric tools. The men have bonded over a shared love of music.

"The guitars take a lot of effort to make," Paul said.

That effort is proudly on display in his house, with more than 14 guitar masterpieces created to date. The guitars have come from friends or finds at the op shop. When he posts pictures of the guitars on Facebook, they draw a lot of attention with comments and likes flowing in from

around the country and even internationally. Paul proudly makes pieces for his friends, and has sold one, which allowed him to reinvest into his art. He said the guitars are hard to part with once completed.

Paul recently experienced a full-circle moment. About 20 years ago Paul was on his way to see one of his favourite bands, NOFX, when he was involved in a car crash. The accident left Paul blind in one eye and experiencing short-term memory loss. Recently, Paul's mate bought him tickets to the last NOFX tour in Melbourne. "They were so, so, so good, they were awesome," Paul exclaimed. And, as a tribute to one of his favourite bands, Paul created a NOFX-themed guitar art piece.

When Paul's not with tools in hand creating these masterpieces, he's jamming with his mates, even playing the didgeridoo, an instrument he's self-taught in. Paul also enjoys bushwalking and camping, and works in retail.

MAIB has supported Paul for the past 18 years. This has included funding equipment and devices to assist him to live independently. The MAIB provided vocational rehabilitation support for Paul and was successful in assisting him to secure paid employment. We congratulate Paul on his achievements and commitment to recovery.

TIMELINE OF ACHIEVEMENTS

1970s

The Motor Accidents Insurance Board (MAIB) was established in June 1974 to administer a no-fault compulsory third party scheme. The scheme commenced operating on 1 December 1974 under the *Motor Accidents (Liabilities and Compensation) Act 1973* (the Act). The MAIB's office was based in St John Street, Launceston.

1980s

The *Motor Accidents (Liabilities and Compensation) Regulations 1980* (the Regulations) came into effect on 1 July 1980, with the Act and Regulations evolving during the 1980s and benefits and limitations defined in the Regulations from 1985.

1987

The Road Safety Strategy Committee (including MAIB representation) was formed in January 1987 in response to a need for a more coordinated and cost-effective approach to road safety in Tasmania.

1991

The Future Care scheme was introduced in August 1991 to provide lifetime support for claimants who sustain significant and permanent disabilities.

1992

The MAIB purchased and relocated its operations to 33 George Street, Launceston.

1993

The Injury Prevention and Management Foundation was established.

2009

MAIB funded the first wire rope flexible safety barrier installation on Tasmanian roads (located between Bagdad and Dysart).

2008

The MAIB's third residential home, "Lomandra", was opened in Ulverstone in 2008.

1999

A new purpose-built claims management system "MACS" (Motor Accidents Claims System) was implemented.

1996

The Road Safety Task Force (RSTF) was established in 1996, with MAIB represented on the RSTF. The focus of the RSTF was education and enforcement to bring about a change of culture in Tasmanian motorists.

1995

The MAIB's first purpose-built residential home "Cay-Lea" was opened near Hobart in 1995. The second support accommodation site, "Neena", was opened in Launceston in 1996. These facilities were designed to accommodate and support claimants who sustained a catastrophic injury from a motor accident.

1995

On 1 July 1995, the MAIB changed from a statutory authority to a Government Business Enterprise under the *Government Business Enterprises Act 1995*.

2010

The RSTF was absorbed into a revamped RSAC with the MAIB maintaining its representation.

2021

The MAIB introduced the ability for clients to submit claims application documentation and forms online via the MAIB's website.

2022

MAIB helped to fund a new program of mobile speed cameras. The new technology also allows the detection of illegal mobile phone use and seatbelt detection. MAIB supports improvement in road safety by providing funding to the RSAC and Tasmania Police.

2025

The Board approved the business cases of two projects that will improve client outcomes and service delivery. The business case for a new claims management system was approved, which will replace the current 26-year-old technology. This will improve the management of claims for MAIB staff, as well as clients and providers. The project is expected to be completed in 2027.

MAIB has several sites that provide supported living accommodation for people impacted by road trauma in Tasmania. The Supported Accommodation Renewal Project will replace existing buildings and site infrastructure with Tasmanian Planning Scheme-compliant, contemporary, bespoke-designed accommodation to provide a leading-edge environment where quality services and care can continue to be delivered and where the health, independence, safety and dignity of occupants can be maximised. The project is anticipated to be completed in 2029.

OUR PEOPLE

Human Resources

The MAIB is committed to maintaining a valued, motivated, engaged, accountable and supported workforce which delivers a high-quality service in accordance with the MAIB's Vision, Purpose and Values.

Employment Conditions

The MAIB has 47 full-time equivalent employees, of which 75 per cent are female. Thirteen staff members work part-time using ongoing flexible working arrangements to help them achieve work/life balance and accommodate family commitments.

The wages and conditions for staff are provided for under the MAIB and Finance Sector Union Enterprise Agreement 2022. A Staff Code of Conduct is in place to which all employees must adhere. The Code is reviewed on an annual basis and is available on the MAIB website.

Employee Wellbeing

The MAIB has a Health and Safety Committee to promptly identify risks and address any issues that may affect employee safety.

An Employee Assistance Program is also available, which offers counselling services to all staff (for work and personal issues) in conjunction with training to enhance staff wellbeing.

Employee Development

Staff are provided with ongoing training opportunities to assist in their development, including programs related to staff health and wellbeing.

The MAIB works proactively with staff to determine the training programs best suited to staff needs throughout the year.

Support for Charities

To acknowledge 50 years of MAIB, a donation was made on behalf of staff to a charity of their choosing.

There were 19 charities nominated, which included:

- Beyond the Rainbow Tasmania;
- Hope in a Suitcase;
- Speak Up Stay Chatty;
- Camp Quality Tasmania;
- Lifeline Tasmania;
- RSPCA Tasmania;
- Save the Tasmanian Devil Appeal;
- Movember; and
- Royal Flying Doctors Service Tasmania.

FINANCIAL REPORT

2024 - 2025

Statement of Comprehensive Income	22
Statement of Financial Position	23
Statement of Changes in Equity	24
Statement of Cash Flows	25
Notes to the Financial Statements	26
1 Basis of preparation	26
2 Premium revenue	28
3 Net claims incurred	28
4 Net investment income	29
5 General and administration expenses	29
6 Road safety initiatives	30
7 Income tax	31
8 Investments	33
9 Financial instruments	34
10 Receivables	41
11 Unearned premiums	42
12 Outstanding claims	42
13 Unexpired risk	51
14 Provision for employee benefits	52
15 Statement of cash flows	53
16 Auditor's remuneration	53
17 Dividends	53
18 Contingent liabilities	54
19 Commitments	54
20 Events after the reporting date	54
21 Key management personnel information	54
Independent Auditor's Report	58
Certification	63

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
Premium revenue	2	157,864	150,403
Outwards reinsurance expense		(7,565)	(7,484)
		150,299	142,919
Gross claims incurred	3	(190,726)	(172,778)
Claims recovery revenue	3	3,477	2,761
Net claims incurred		(187,249)	(170,017)
Premium collection costs		(3,381)	(3,309)
Unexpired risk expense	13	(595)	1,501
Underwriting result		(40,926)	(28,906)
Investment income	4	179,178	143,420
Investment expenses	4	(1,316)	(1,781)
Other income		767	889
General and administration expenses	5	(13,419)	(10,779)
Road safety initiatives	6	(5,650)	(5,164)
Other expenses		(2,730)	(1,964)
Profit/(loss) before tax		115,904	95,715
Tax (expense)/benefit	7	(32,545)	(26,024)
Profit/(loss) after tax		83,359	69,691
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Defined benefit plan actuarial gains/(losses)		(296)	(221)
Revaluation of land and buildings		360	(156)
Tax (expense)/benefit on other comprehensive income		(19)	113
Other comprehensive income net of tax		45	(264)
Total comprehensive result		83,404	69,427

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	2025 \$'000	2024 \$'000
Assets			
Cash and cash equivalents	8	4,206	4,533
Receivables	10	29,276	26,528
Prepaid tax	7	-	8,700
Investments	8	2,264,101	2,123,850
Property, plant and equipment		22,812	21,972
Intangibles		294	444
Total assets		2,320,689	2,186,027
Liabilities			
Payables		3,265	3,228
Provision for tax	7	109	-
Unearned premiums	11	66,502	64,218
Outstanding claims	12	1,482,946	1,405,694
Unexpired risk	13	6,892	6,297
Net deferred tax liability	7	33,779	26,968
Provision for employee benefits	14	9,907	8,178
Total liabilities		1,603,400	1,514,583
Net assets		717,289	671,444
Equity			
Retained earnings attributable to equity holders		708,516	662,923
Reserves		8,773	8,521
Total equity		717,289	671,444

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Retained Earnings \$'000	Reserves \$'000	Total Equity \$'000
Balance at 1 July 2023	626,105	8,630	634,735
Profit/(loss) after tax	69,691	-	69,691
Other comprehensive income net of tax	(155)	(109)	(264)
Total comprehensive result	69,536	(109)	69,427
Dividends paid	(32,718)	-	(32,718)
Balance at 30 June 2024	662,923	8,521	671,444
Profit/(loss) after tax	83,359	-	83,359
Other comprehensive income net of tax	(207)	252	45
Total comprehensive result	83,152	252	83,404
Dividends paid	(37,559)	-	(37,559)
Balance at 30 June 2025	708,516	8,773	717,289

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Inflows (Outflows) \$'000	2024 Inflows (Outflows) \$'000
Cash flows from operating activities			
Premiums received		176,583	165,338
Recoveries received		328	849
Dividends received		66,923	44,103
Rent received		501	622
Other revenue received		3,936	4,943
Claims paid		(120,970)	(110,043)
Reinsurance paid		(8,039)	(7,832)
Premium collection costs paid		(3,696)	(3,629)
General and administration expenses paid		(13,057)	(10,388)
Other expenses paid		(2,269)	(1,793)
Investment expenses paid		(1,484)	(1,818)
Road safety funding paid		(6,190)	(5,725)
Tax equivalent paid		(16,945)	(11,523)
Goods and services tax paid		(6,359)	(6,434)
Net cash flows from operating activities	15	69,262	56,670
Cash flows from investing activities			
Purchase of investments		(490,289)	(927,373)
Sale of investments		459,643	904,140
Purchase of property, plant and equipment		(1,520)	(453)
Purchase of intangibles		(60)	(88)
Sale of plant and equipment		196	50
Net cash flows from investing activities		(32,030)	(23,724)
Cash flows from financing activities			
Dividends paid	17	(37,559)	(32,718)
Net cash flows from financing activities		(37,559)	(32,718)
Net increase/(decrease) in cash and cash equivalents held		(327)	228
Cash and cash equivalents at the beginning of the financial year		4,533	4,305
Cash and cash equivalents at the end of the financial year	8	4,206	4,533

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1 Basis of preparation

This section of the financial report sets out the material accounting policies of the Motor Accidents Insurance Board (MAIB) which relate to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

(a) Reporting entity

MAIB was established and is governed by the *Motor Accidents (Liabilities and Compensation) Act 1973*. MAIB is a for-profit Tasmanian Government Business Enterprise, which administers the funding and payment of compulsory third party motor accident compensation to eligible people who have been injured in a motor accident.

MAIB is domiciled in Australia and its principal place of business is Level 1, 33 George Street, Launceston, Tasmania 7250.

(b) Statement of compliance

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). The financial statements also comply with the requirements of the *Government Business Enterprises Act 1995*, and the Treasurer's Instructions and Guidelines.

The financial statements cover MAIB's operations for the year ended 30 June 2025 and were certified and authorised for issue by the Board of Directors on 13 August 2025.

(c) Basis of accounting

The financial statements have been prepared on an accruals basis and are based on historical costs, except for:

- investments and land and buildings which are measured at fair value; and
- the outstanding claims liability, recoveries receivable and provision for employee benefits which are measured at present value of the expected cash flows.

Cost is based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars, which is MAIB's functional currency. Amounts have been rounded to the nearest thousand dollars unless otherwise stated.

In the application of Australian Accounting Standards, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made in the application of Australian Accounting Standards which have material effects on the financial statements and estimates with a risk of material adjustment are disclosed in the relevant notes.

The statement of financial position is presented on a liquidity basis, as provided for in AASB 101 *Presentation of Financial Statements* whereby all assets and liabilities are presented in order of liquidity, from most liquid to least liquid. It is judged by the Board of Directors that this method of disclosure provides information that is more relevant and reliable than the traditional current/non-current classifications. Unless otherwise disclosed, an asset or liability is expected to be recovered either wholly within 12 months or wholly subsequent to this period.

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Australian Accounting Standards adopted during the period

There were no relevant accounting standards that became operational during the current reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1 Basis of preparation *Continued*

Australian Accounting Standards issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the reporting period ended 30 June 2025 and have not been adopted by MAIB when preparing the 2024-25 financial report. Relevant standards will be applied in the annual reporting periods beginning on or after the effective dates set out below. MAIB has reviewed the pending standards and considers the following standards will apply. Standards that are not considered relevant to MAIB have not been included.

New accounting standards and interpretations not yet adopted:

AASB 17 Insurance Contracts (AASB 17)

AASB 17 is effective for reporting periods beginning on or after 1 January 2026 for public sector entities and will replace AASB 4 *Insurance Contracts* and AASB 1023 *General Insurance Contracts*. MAIB will apply AASB 17 for the annual period beginning 1 July 2026.

AASB 17 introduces a new general measurement model for accounting for insurance contracts and reinsurance contracts held. However, a simplified premium allocation approach, similar in nature to MAIB's existing measurement basis under AASB 1023 is permitted to be applied by public sector entities such as MAIB to all insurance contracts and reinsurance contracts held without the need to meet the eligibility criteria.

MAIB has progressed its AASB 17 implementation project. MAIB expects to:

- apply the simplified premium allocation approach to all of its insurance contracts;
- apply a "bottom-up" approach to determine discount rates, which will include an illiquidity premium;
- make a determination that it has one portfolio of insurance contracts and one portfolio of reinsurance contracts;
- assess the portfolio of insurance contracts as onerous;
- apply a non-zero risk adjustment for non-financial risk; and
- treat all movements due to inflation changes as a non-financial risk.

For transition purposes, AASB 17 will be applied on a fully retrospective basis. The net impact on equity as at 1 July 2025 (transition date) has not yet been determined.

In addition to the financial impact, the other key changes to disclosures will be:

- the separate presentation of '(re)insurance finance income or expense' in the statement of comprehensive income, which relates to the impact of changes in discount rate assumptions from period to period and the unwinding of past discounting of the outstanding claims liability and reinsurance recoveries receivables;
- more granular disclosure of the movements in insurance contract liabilities and reinsurance contract assets in reconciliation tables; and
- additional disclosures relating to onerous contracts.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 is effective for reporting periods beginning on or after 1 January 2027 and will replace AASB 101 *Presentation of Financial Statements*. The Standard aims to improve how entities communicate in their financial statements. The key changes include:

- income and expenses must be classified into five categories – investing, financing, operating, income taxes and discontinued operations;
- two new mandatory sub-totals – operating profit/loss and profit/loss before financing and income taxes;
- enhanced requirements for labelling, aggregation and disaggregation of line items in the financial statements;
- new disclosures around management-defined performance measures.

There are no quantitative impacts of applying AASB 18. MAIB has not yet assessed the impact of the new standard in terms of changes to disclosures, including how information is grouped in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1 Basis of preparation *Continued*

(d) Risk management policies and procedures

MAIB has a risk management framework which is governed by the Risk Appetite Statement and Risk Management Policy and administered through the Risk Management Plan. The plan outlines key risks and mitigating strategies for MAIB’s operations and is designed to effectively manage exposure to financial and non-financial risks.

A summary of the mitigation processes relevant to key risks arising from insurance contracts is contained in Note 12 Outstanding Claims. Information in relation to investment risks is contained in Note 9 Financial Instruments.

2 Premium revenue

Premium revenue consists of compulsory third party insurance premiums paid by motor vehicle owners. Premiums are levied at the rates prescribed under the Premiums Order(s) applicable during the year. Premium revenue is collected on behalf of MAIB under a service level agreement with the Department of State Growth. Premium collection fees are levied under this agreement and recognised as premium collection costs in profit or loss.

Premium revenue is recognised through profit or loss when it has been earned and is calculated from the date of attachment of risk.

The earned portion of the premiums collected is recognised as revenue from the date of attachment of risk. The pattern of recognition over the policy period is linearly based on time, which is considered to approximate closely the pattern of risks underwritten.

	2025 \$’000	2024 \$’000
Gross written premiums	160,148	151,020
Movement in unearned premiums	(2,284)	(617)
Premium revenue	157,864	150,403

3 Net claims incurred

The following table shows the impact on the outstanding claims liability of risks borne in the current reporting period separately to the reassessment of the risks borne in all previous reporting periods.

	2025			2024		
	Current Year \$’000	Prior Years \$’000	Total \$’000	Current Year \$’000	Prior Years \$’000	Total \$’000
Gross claims incurred						
Inflated/undiscounted	295,910	166,320	462,230	261,690	225,421	487,111
Discount movement	(124,378)	(147,126)	(271,504)	(111,514)	(202,819)	(314,333)
	171,532	19,194	190,726	150,176	22,602	172,778
Claims recovery revenue						
Inflated/undiscounted	(2,129)	(818)	(2,947)	(2,213)	(812)	(3,025)
Discount movement	277	(807)	(530)	301	(37)	264
	(1,852)	(1,625)	(3,477)	(1,912)	(849)	(2,761)
Net claims incurred	169,680	17,569	187,249	148,264	21,753	170,017

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

4 Net investment income

All investments comprise units in unlisted trusts, with all income distributions being received as dividends. Dividends are recognised as revenue when the right to receive payment is established.

Differences between the net fair value of investments at the reporting date and their net fair value at the previous reporting date (or cost of acquisition if acquired during the financial year) are recognised as a gain or loss in investment income through profit or loss in the reporting period in which the changes occur. Realised changes in the fair value of investments are calculated using the average cost methodology.

	2025 \$’000	2024 \$’000
Dividends	70,768	46,174
Other	2,649	4,618
Changes in fair value of investments	105,761	92,628
Investment income	179,178	143,420
Investment expenses	(1,316)	(1,781)
Net investment income	177,862	141,639

5 General and administration expenses

	2025 \$’000	2024 \$’000
Salaries and related expenses	6,762	5,970
Depreciation and amortisation	443	455
Information technology	1,759	1,468
International travel ¹	19	16
Other operating costs	4,436	2,870
	13,419	10,779

¹ In 2024-25 and 2023-24 the Chief Executive Officer travelled to Singapore and London to engage with reinsurers in relation to MAIB’s annual reinsurance placement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

6 Road safety initiatives

MAIB funds a range of road safety initiatives aimed at reducing the occurrence of serious injuries on Tasmanian roads, as outlined below.

Road Safety Advisory Council

MAIB funds enforcement and public education strategies through the Road Safety Advisory Council. A Memorandum of Understanding between MAIB, Department of Police, Fire and Emergency Management and the Department of State Growth is in operation and specifies the agreed key performance indicators and level of funding.

Injury Prevention and Management Foundation

The Motor Accidents (Liabilities and Compensation) Act 1973 allows MAIB to fund research and education and to service development programs directed towards the prevention and improved management of injuries resulting from motor accidents.

Funding for the Injury Prevention and Management Foundation is by way of up to 1% of premium income each year. A sub-committee of the Board of Directors has been established to administer the Foundation and approve projects up to its delegated authority. Projects above the subcommittee's authority are approved by the Board of Directors upon the subcommittee's recommendation.

State Emergency Service

MAIB funds the State Emergency Service (SES) to provide rural road rescue services where occupants have been trapped in their vehicles after a motor accident. The funding arrangement with the SES assists in the provision of a key component of road crash management and the commencement of the injury treatment process.

The following table summarises MAIB's contributions to road safety initiatives.

	2025 \$'000	2024 \$'000
Road Safety Advisory Council	4,475	4,220
Injury Prevention and Management Foundation	785	572
State Emergency Service	390	372
	5,650	5,164

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

7 Income tax

Under the provisions of the Government Business Enterprises Act 1995, MAIB is required to pay income tax equivalents to the State Government under the National Tax Equivalent Regime (NTER).

The income tax expense or benefit for the period is that tax payable or receivable on the current period's taxable income based on the tax rate of 30%, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities, and their carrying amounts.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent it is probable sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply to the period when the assets and liabilities giving rise to them are realised or settled, based on tax rates that have been enacted or substantially enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which MAIB expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NTER instalments are paid monthly. A balancing payment is made subsequent to year end following finalisation of the tax position. Where the instalments paid exceed the tax liability no balancing payment is required. Excess instalment payments are retained by the State Government and offset against future tax obligations.

	2025 \$'000	2024 \$'000
(a) Income tax expense/(benefit) comprises:		
Current tax expense/(benefit)	26,231	12,517
Increase/(decrease) in net deferred tax asset/liability	6,810	18,410
Tax on other comprehensive income	(19)	113
(Over)/under provision of income tax expense/(benefit) in previous year	(477)	(5,016)
Tax expense/(benefit) attributable to operating result	32,545	26,024
Reconciliation between operating result and income tax expense/(benefit)		
Operating result before tax	115,904	95,715
Income tax expense/(benefit) calculated at 30%	34,771	28,715
Tax offsets for franked dividends	(2,222)	(2,683)
Adjustment in respect of prior years	(4)	(8)
Tax expense/(benefit) attributable to operating result	32,545	26,024
(b) Tax asset/(liability)		
Prepaid tax/(Provision for tax) at 1 July	8,700	4,678
Less tax payable in respect of current year	(26,231)	(12,517)
Add tax paid	16,945	11,523
Over/(under) provision for tax in previous year	477	5,016
Prepaid tax/(Provision for tax) at 30 June	(109)	8,700

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

7 Income tax *Continued*

(c) Deferred tax balances

	1 July \$'000	Recognised in profit and loss \$'000	Recognised in other comprehensive income \$'000	30 June \$'000
2025				
Deferred tax assets				
Investments	20,760	(9,569)	-	11,191
Claims handling provision	42,236	4,291	-	46,527
Other provisions	4,343	628	89	5,060
Plant and equipment	7	2	-	9
Total deferred tax asset	67,346	(4,648)	89	62,787
Deferred tax liabilities				
Investments	(90,823)	(2,227)	-	(93,050)
Property	(3,491)	83	(108)	(3,516)
Total deferred tax liabilities	(94,314)	(2,144)	(108)	(96,566)
Net deferred tax asset/(liability)	(26,968)	(6,792)	(19)	(33,779)
2024				
Deferred tax assets				
Investments	20,427	333	-	20,760
Claims handling provision	40,132	2,104	-	42,236
Other provisions	4,573	(296)	66	4,343
Plant and equipment	5	2	-	7
Total deferred tax asset	65,137	2,143	66	67,346
Deferred tax liabilities				
Investments	(70,162)	(20,661)	-	(90,823)
Property	(3,533)	(5)	47	(3,491)
Total deferred tax liabilities	(73,695)	(20,666)	47	(94,314)
Net deferred tax asset/(liability)	(8,558)	(18,523)	113	(26,968)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

8 Investments

All investments are held to back insurance and other liabilities. Investments are classified at fair value through profit or loss on the basis they are managed and their performance is evaluated on a fair value basis. They are not held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting cash flows and selling financial assets.

Investments are recognised on the date MAIB becomes a party to the contractual provisions of the financial instrument. Investments are initially and subsequently recognised at fair value, with any resultant gains or losses recognised within investment income through profit or loss.

Investments are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and MAIB has transferred substantially all the risks and rewards of ownership. Any gains or losses arising on derecognition are included in profit or loss in the year the asset is derecognised as realised gains or losses on financial instruments.

Fair value

Details of the fair value of MAIB's investments are listed below.

- Cash and cash equivalent assets are held at cost plus accrued interest which approximates their fair value.
- Units in unlisted trusts are valued at redemption value per unit as reported by the managers of such funds at the reporting date.

Where the fair values of financial assets recorded in the statement of financial position cannot be measured based on quoted prices in active markets, the fair values are subject to estimation using valuation techniques with inputs based on market conditions prevailing at measurement date. The primary estimation technique is to adopt the net asset value (NAV) per unit applicable for redemption at the end of the reporting period for investments in unlisted trusts.

Investment portfolio

The investment portfolio consists of a range of asset classes designed to meet liquidity needs and to provide for long-term growth. All investment assets are held in managed investment schemes, with the categorisations below being based on the direct investment in each fund.

MAIB invests in unrelated unlisted managed investment schemes for the purpose of capital appreciation and earning of investment income. The funds' objectives are to generate a return for investors on the capital invested. The funds finance their operations by issuing units to investors and through borrowings. The units issued to investors represent their beneficial interest in the funds' assets. Subject to the redemption terms of each fund, the units can be redeemed at the holder's option and entitle the holder to a proportional stake in the respective fund's net assets.

MAIB considers each of its investments in these funds satisfy the definition of 'financial asset' and fall within the scope of AASB 9 *Financial Instruments*. From time-to-time MAIB may hold a significant portion of the outstanding units in a fund. However, those interests do not provide MAIB with either control or significant influence over a fund and none of the funds are either consolidated or accounted for applying the equity method. Funds generally have a high voting threshold to replace a manager, which is above MAIB's holding.

MAIB's maximum exposure to loss from its interests in the funds is equal to the total fair value of its investments in the funds, as there are no off-balance sheet exposures. Once MAIB has disposed of its units in a fund, it ceases to be exposed to any risk from that fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

8 Investments *Continued*

The table below sets out the composition of MAIB's investment portfolio at balance date. Investments in managed investment schemes in which MAIB holds an interest are categorised by investment strategy.

	2025 \$'000	2024 \$'000
Cash and cash equivalents		
Cash at bank	4,206	4,533
Total cash and cash equivalents	4,206	4,533
Investment assets		
Managed investment scheme assets		
Cash funds	166,238	121,580
Australian bonds funds	576,799	538,544
Australian equities funds	163,069	199,083
International equities funds	586,431	553,092
Diversifying alternatives funds	240,423	219,350
Property funds	272,469	273,595
Infrastructure funds	249,121	212,870
Total managed investment scheme assets	2,254,550	2,118,114
Other investment assets		
Outstanding settlements receivable	9,551	5,736
Total other investment assets	9,551	5,736
Total investment assets	2,264,101	2,123,850

At 30 June 2025, MAIB's unit holdings in its cash funds and Australian bonds funds range from 15% to 67% (2024: 16% to 56%) of the total units on offer. Unit holdings in all other categories are less than 18% of the total units on offer (2024: less than 18%).

9 Financial instruments

Fair value measurements are classified using a fair value hierarchy reflecting the subjectivity of the inputs used in making the measurements. The fair value hierarchy comprises the following three levels:

- Level 1 fair value measurements are derived from unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are based on market observable inputs other than quoted prices, including dealer quotations or alternative pricing sources and models. The observable inputs include prices and/or those derived from prices.
- Level 3 fair value measurements are based on significant unobservable inputs where the fair values are derived from valuation techniques based on assumptions which are not supported by observable market data. Level 3 instruments include investments not based on market inputs, or securities in an inactive/illiquid market and are valued using models and internal data.

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. All fair value measurements disclosed are recurring fair value measurements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

9 Financial instruments *Continued*

The following tables present the financial assets measured and recognised at fair value and at amortised cost at 30 June 2025 and 30 June 2024.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2025				
Financial assets at fair value through profit or loss ¹				
Cash and cash equivalents	4,206	-	-	4,206
Cash funds	2	166,236	-	166,238
Australian bonds funds	-	576,799	-	576,799
Australian equities funds	-	163,069	-	163,069
International equities funds	-	586,431	-	586,431
Diversifying alternatives funds	-	195,854	44,569	240,423
Property funds	-	67,213	205,256	272,469
Infrastructure funds	-	86,225	162,896	249,121
Total	4,208	1,841,827	412,721	2,258,756
Financial assets at amortised cost ²				
Outstanding settlements receivable	9,551	-	-	9,551
Total	9,551	-	-	9,551
Total financial assets	13,759	1,841,827	412,721	2,268,307
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2024				
Financial assets at fair value through profit or loss ¹				
Cash and cash equivalents	4,533	-	-	4,533
Cash funds	3	121,577	-	121,580
Australian bonds funds	-	538,544	-	538,544
Australian equities funds	-	199,083	-	199,083
International equities funds	-	553,092	-	553,092
Diversifying alternatives funds	-	193,179	26,171	219,350
Property funds	-	62,245	211,350	273,595
Infrastructure funds	-	97,865	115,005	212,870
Total	4,536	1,765,585	352,526	2,122,647
Financial assets at amortised cost ²				
Outstanding settlements receivable	5,736	-	-	5,736
Total	5,736	-	-	5,736
Total financial assets	10,272	1,765,585	352,526	2,128,383

¹ The fair value of the financial assets equals the carrying amount.
² The fair value of the financial assets at amortised cost approximates the carrying amount.

There were no transfers between levels 1, 2 or 3 in 2024-25 or 2023-24.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

9 Financial instruments Continued

The following table presents the level 3 financial instruments at 30 June.

Table with 3 columns: Instrument, 2025 \$'000, 2024 \$'000. Rows: Diversifying alternatives funds, Property funds, Infrastructure funds, Total.

The following table presents the changes in level 3 financial instruments.

Table with 3 columns: Description, 2025 \$'000, 2024 \$'000. Rows: Balance 1 July, Gain/(loss) recognised in the statement of comprehensive income, Sale of investments, Purchases of investments, Balance at 30 June.

The disclosures below provide details of the key inputs and assumptions used in the current valuation models. MAIB is reliant on third parties for these valuations and the quantitative information regarding significant unobservable inputs used in the fair value measurement cannot be assessed.

Significant unobservable inputs used in measuring fair value

Property funds

Property investments comprise externally managed unlisted property trusts with exposure to the domestic retail, commercial, and industrial sectors. Fund managers engage independent valuers to value the underlying investments no less than every six months. Properties are valued using appropriate valuation techniques including the capitalisation, discounted cash flow, and direct comparison methodologies.

The key unobservable inputs used in valuing these investments are:

- capitalisation rates ranging between 5.00% and 7.63% (2024: 4.88% and 8.00%); and
- discount rates ranging between 6.25% and 8.00% (2024: 6.00% and 8.25%).

It is possible that the latest independent valuation may not fully reflect the proceeds of sale when a property is sold, particularly in a rapidly moving property market or in a market of limited comparable sales evidence.

Infrastructure funds

Infrastructure investments comprise externally managed unlisted infrastructure funds investing in the domestic social housing and international renewable energy, utilities, communications and transport sectors.

Fund managers engage independent valuers to value the underlying investments every six months. The valuations of these investments are primarily based on a discounted cash flow methodology. The key unobservable inputs used in valuing these investments include risk free rates and asset utilisation rates.

Diversifying alternatives funds

Diversifying alternatives funds comprise externally managed funds investing in private debt. Private debt assets are commonly valued using the discounted cash flow method, with additional considerations placed on external market inputs. Some debt assets are valued internally using valuation models.

Sensitivity to changes in significant unobservable inputs

The use of different methodologies or assumptions could lead to different measurements of fair value. Significant movement in any one of the inputs listed above may result in a change in the fair value of the properties. An increase in the discount rate or capitalisation rate would result in a lower fair value of the investment. A reduction in these rates would increase the fair value. An increase/decrease in asset utilisation rates would result in corresponding impacts on the fair value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

9 Financial instruments Continued

Volatility in results

MAIB has adopted a strategy that structures its investment portfolio taking account of the expected payment patterns of future financial obligations. Given the long-term nature of the outstanding claims liabilities, the investment strategy contains an allocation to both growth assets (such as listed equities and property) and defensive assets (such as cash and bonds).

Growth assets are held to deliver additional return over the longer term compared to the return expected to be achieved by investing solely in the defensive asset classes. Growth assets are volatile in nature and investment returns may vary significantly from year to year.

Investment risk management

MAIB’s financial assets and liabilities are exposed to a variety of financial risks, primarily:

- a) market risk (including price risk, foreign currency risk and interest rate risk);
- b) credit risk; and
- c) liquidity risk.

MAIB, in consultation with its investment consultant, master custodian and external fund managers, is responsible for the management and control of financial risks. MAIB’s Investment Policy Statement provides written principles for the overall risk management of the investment framework and outlines the approach for managing specific risk areas including price risk, foreign currency risk, interest rate risk, credit risk, and liquidity risk.

The Risk Management Plan addresses the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance in order to achieve MAIB’s investment objectives of satisfactory long-term real growth and to maintain an acceptable level of solvency.

The maximum risk for MAIB resulting from financial instruments is represented by the fair value of the financial instruments.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in financial markets. Market price risk comprises three types of risk:

- (i) price risk;
- (ii) foreign currency risk; and
- (iii) interest rate risk.

The market risk disclosures are prepared on the basis of MAIB’s direct investments in the unit trusts it invests in, not the underlying investments in those unit trusts. The sensitivity of MAIB’s retained earnings attributable to equity holders and operating result to price risk, foreign exchange risk and interest rate risk is determined based on management’s best estimate, having regard to a number of factors, including historical levels of change in interest rates and foreign exchange rates and market volatility. However, actual movements in risk variables may be greater or less than anticipated due to a number of factors including unusually large market shocks resulting from changes in the performance of economies, markets and securities in which MAIB invests. As a result, historic variations in the risk variables are not a definitive indicator of future variations in the risk variables.

(i) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices.

MAIB has exposure to price risk arising from its investments in unlisted unit trusts, which invest in a range of domestic and international asset classes. Fund unit prices are impacted by changes in the price of the underlying assets held by the funds. All unit trust investments present a risk of loss of capital.

MAIB mitigates its price risk through diversification of its portfolio in accordance with the limits set in the Investment Policy Statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

9 Financial instruments *Continued*

Sensitivity

The table below demonstrates the impact on profit after tax and equity of movements in unit prices. The analysis is based on the assumption prices increased or decreased 10% as at the reporting date, with all other variables held constant. This analysis represents one scenario from a number of possible scenarios, all of which carry material uncertainty.

	2025 \$'000	2024 \$'000
Impact on profit after tax and equity of a 10% increase in unit prices		
Cash funds	11,637	8,510
Australian bonds funds	40,376	37,698
Australian equities funds	11,415	13,936
International equities funds	41,050	38,716
Diversifying alternatives funds	16,830	15,355
Property funds	19,073	19,152
Infrastructure funds	17,439	14,901
	2025 \$'000	2024 \$'000
Impact on profit after tax and equity of a 10% decrease in unit prices		
Cash funds	(11,637)	(8,510)
Australian bonds funds	(40,376)	(37,698)
Australian equities funds	(11,415)	(13,936)
International equities funds	(41,050)	(38,716)
Diversifying alternatives funds	(16,830)	(15,355)
Property funds	(19,073)	(19,152)
Infrastructure funds	(17,439)	(14,901)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in exchange rates. Where MAIB holds assets denominated in currencies other than the Australian dollar (the functional currency) it is exposed to foreign currency risk as the value of those assets will fluctuate due to changes in exchange rates. The risk is measured using sensitivity analysis.

MAIB's investment exposure to international markets is achieved by investing in unit trusts, domiciled in Australia or overseas. The foreign currency risk disclosures have been prepared on the basis of MAIB's direct investment in those trusts and not on a look-through basis. The impact of currency movement within the trusts is dealt with as a component of market risk (price risk). Consequently, the disclosure of currency risk may not represent the true currency risk profile of MAIB.

The following table shows MAIB's direct exposure to foreign currency risk.

	2025 \$'000	2024 \$'000
United States Dollar	157,345	223,296
Euro	85,066	69,728

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

9 Financial instruments *Continued*

Sensitivity

The foreign currency risk sensitivity analysis is conducted on foreign currency denominated investments and adjusts their translation at period end for a change in foreign currency rates. The following table details MAIB's sensitivity to a 10% increase and decrease in the value of the Australian Dollar against the foreign currencies.

	2025 \$'000	2024 \$'000
Impact on profit after tax and equity of a 10% increase in value of the Australian Dollar	(15,426)	(18,647)
Impact on profit after tax and equity of a 10% decrease in value of the Australian Dollar	18,854	22,791

(iii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In terms of financial assets, MAIB's direct exposure to interest rate risk relates to cash and cash equivalents, which is subject to floating interest rates. The risk is considered insignificant due to the immaterial balance of cash and cash equivalents held.

MAIB has an indirect exposure to interest rate risk via the underlying assets held by the unlisted unit trusts in which it invests. The impact of changes in interest rates is dealt with as a component of market risk (price risk) of the units. Consequently, the disclosure of interest rate risk may not represent the true interest rate risk profile of MAIB. MAIB is exposed to interest rate risk on its outstanding claims liability. This risk is partially mitigated by MAIB's investment in financial assets. To the extent the investment assets and claims liabilities are matched, unrealised gains and losses on re-measurement of liabilities resulting from movements in interest rates will be broadly offset by unrealised losses or gains on the re-measurement of these investment assets.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. MAIB is exposed to credit risk on the following financial instruments:

- investments;
- cash and cash equivalents; and
- other receivables.

MAIB's primary credit risk exposure is in the underlying assets held by the unlisted unit trusts in which it invests. The credit risk disclosures have been prepared on the basis of MAIB's direct investment in those trusts and not on a look-through basis. Consequently, the disclosure of credit risk may not represent the true credit risk profile of MAIB.

Credit risk on investments is managed by MAIB in accordance with its Investment Policy Statement. MAIB, in conjunction with its investment consultant, reviews the:

- credit risk management framework of its proposed investment managers; and
- nature of the underlying securities held by the investment managers and the resulting credit risk profiles.

The underlying credit risk exposure of the unlisted trusts is monitored on a quarterly basis.

The level of investment with any one counterparty is assessed based on the market value of the investment.

The majority of other receivables comprises premiums collected on behalf of MAIB by the Department of State Growth. Premiums collected are transferred to MAIB within two business days.

Financial assets are recorded in the statement of financial position at the amount which represents the maximum exposure to credit risk at the reporting date. MAIB has no significant credit risk exposures to any single counterparty or group of counterparties with similar characteristics.

The credit quality of financial assets that are neither past due nor impaired is assessed by reference to external credit ratings or to historical information about counterparty default rates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

9 Financial instruments Continued

MAIB's financial instrument credit risk exposure is shown in the following table.

	2025		2024	
	Investment grade¹ \$'000	Non investment grade¹ \$'000	Investment grade¹ \$'000	Non investment grade¹ \$'000
Cash and cash equivalents	4,206	-	4,533	-
Other receivables	2,142	203	2,562	206
	6,348	203	7,095	206

¹ Assets with Standard and Poor's credit ratings of AAA to BBB- are classified as investment grade. Assets falling outside this range, as well as non-rated assets, are classified as non-investment grade.

Credit Risk - Reinsurance and other recoveries receivable

MAIB is also exposed to credit risk associated with reinsurance and other recoveries receivable.

The reinsurance program partially offsets the insurance risk inherent in the outstanding claims liability. MAIB reinsures as a capital protection strategy and to minimise losses associated with catastrophic accidents. MAIB's policy is to place reinsurance with businesses with a minimum Standard and Poor's credit rating of "A". A broker is engaged to facilitate the placement of reinsurance cover. The credit quality of current and past reinsurance counterparties is monitored on an ongoing basis.

Other recoveries receivable comprise estimated amounts recoverable from third parties which are not rated or cannot be reliably rated and are classified as non-investment grade.

The credit risk exposure of the reinsurance and other recoveries receivable is shown in the following table.

	2025		2024	
	Investment grade¹ \$'000	Non investment grade¹ \$'000	Investment grade¹ \$'000	Non investment grade¹ \$'000
Reinsurance recoveries receivable	21,135	-	17,764	-
Other recoveries receivable	-	5,796	-	5,996
	21,135	5,796	17,764	5,996

¹ Assets with Standard and Poor's credit ratings of AAA to BBB- are classified as investment grade. Assets falling outside this range, as well as non-rated assets, are classified as non-investment grade.

(c) Liquidity risk

Liquidity risk is the risk MAIB will not be able to meet its financial obligations as they fall due. MAIB's approach to managing liquidity risk is to have sufficient liquidity to meet its liabilities when due, during both normal and abnormal trading conditions, without incurring unacceptable losses or damaging its reputation. Before payment of dividends and tax equivalent to the Tasmanian Government, MAIB is cash flow positive in relation to its operating activities with annual premium and investment cash inflows exceeding claims and administrative payments.

Liquidity risk is managed in accordance with the Cash Management and Rebalancing Policy under which:

- short-term liquidity requirements are monitored daily with excesses/(shortfalls) in the operating account deposited/ (withdrawn) from the investment portfolio cash fund, which offers daily liquidity; and
- medium/long-term liquidity requirements are assessed at least monthly and sufficient liquidity is retained within the investment portfolio to meet known future financial obligations as they fall due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

9 Financial instruments Continued

Maturities of financial instruments

MAIB's financial liabilities comprise payables, all of which have contractual maturity dates of less than three months, as shown in the following table.

	2025 \$'000	2024 \$'000
Payables	3,265	3,228
	3,265	3,228

The maturity analysis of the outstanding claims liability is reported in Note 12(c).

(d) Capital management

While MAIB is not subject to any externally imposed capital requirements, for the purposes of good governance and sound commercial practice, in conjunction with its external actuary, it has developed a Capital Adequacy Policy suitable for a government monopoly insurer in a compulsory sector.

The capital position is measured by reference to the funding ratio (representing the ratio of insurance assets to net claims liabilities). A target range of 120% to 145% has been established by the Board of Directors following consultation with its actuary and takes account of the liability profile and an assessment of the investment risk profile. At 30 June 2025 the funding ratio is 134.6% (2024: 133.7%).

The capital position is integral to the annual corporate planning process and the annual review and setting of strategic asset allocation benchmarks. The actual and forecast funding ratios are monitored monthly.

10 Receivables

Other receivables are recognised at amortised cost less expected credit losses.

Other recoveries receivable are assessed in a manner similar to the measurement of the outstanding claims liability, and assume recoveries are made in the same proportions over time as the gross claims payments.

Reinsurance recoveries primarily arise from incidents involving daily care claims and are assessed by MAIB's reinsurance broker at least annually, based on the most recent medical advice. A receivable is recorded where the actual or estimated cost of claims exceeds the reinsurance deductible. The recoverable amount is measured as the present value of the expected future cash flows.

	2025 \$'000	2024 \$'000
Other receivables	2,345	2,768
Other recoveries receivable	5,796	5,996
Reinsurance recoveries receivable	21,135	17,764
	29,276	26,528
Due within 12 months	4,166	4,627
Due in more than 12 months	25,110	21,901
	29,276	26,528

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

11 Unearned premiums

Unearned premiums represent the portion of premiums written which relate to periods of insurance subsequent to balance date. All unearned premiums are expected to be earned within 12 months.

	2025 \$'000	2024 \$'000
Balance at 1 July	64,218	63,601
Earning of premiums written in previous periods	(64,218)	(63,601)
Premiums written in current period	157,864	150,403
Earning of premiums written in current period	(91,362)	(86,185)
Balance at 30 June	66,502	64,218

12 Outstanding claims

The outstanding claims liability comprises the estimated costs of settling claims incurred but not yet paid, claims incurred but not reported (IBNR), the anticipated direct claims handling expenses of settling those claims, and a risk margin.

This liability is calculated as the present value of the expected future payments against claims incurred, reflecting the fact that claims do not have to be paid out immediately. Expected future payments are calculated based on the ultimate cost of settling claims, which includes the anticipated effects of claims development, inflation, and other factors. Expected future payments are then discounted to a present value at balance date using market determined risk free interest rates.

Claims handling expenses include those indirect costs of managing claims which are unable to be attributed to individual claims, including administration expenses and other costs of administering the scheme.

A risk margin is added to the total of the net central estimate of the discounted future claims payments plus the estimated claims handling expenses. The addition of the risk margin recognises the inherent uncertainties contained within the actuarial valuation and at 30 June 2025 provides a probability not less than 75% (2024: not less than 75%) that the liability is sufficient to meet the cost of claims incurred. The 75% threshold represents the minimum probability of adequacy required for Australian licensed insurers by the Australian Prudential Regulation Authority (APRA). Although MAIB is not APRA regulated, it adopts the APRA guidelines in this regard.

The allowances for claims handling expenses and the risk margin have been determined for the scheme as a whole. For reporting purposes they have been applied uniformly to each benefit type.

All reasonable steps are taken to obtain appropriate information regarding claims exposure. However, given the uncertainty in establishing the outstanding claims liability, it is likely that the final outcome may prove to be different from the original liability established.

Risks arising from insurance contracts

The main insurance risks for MAIB include claims and rehabilitation management, controlling costs, and collection of appropriate premium revenue.

- Key aspects of the processes to mitigate insurance risks include, but are not limited to:
- maintaining a comprehensive database of accident data to provide a wide range of up-to-date information;
 - engaging an independent actuary to annually value the claim liabilities, assess premium requirements, assess capital adequacy requirements, review MAIB’s financial condition and monitor and report on trends in costs; and
 - periodic review of MAIB’s operations by the Tasmanian Economic Regulator. The Regulator’s role is to recommend maximum premiums to be charged for the ensuing four years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

12 Outstanding claims Continued

Terms and conditions of insurance business

The terms and conditions of the accident compensation scheme administered by MAIB are established under the Motor Accidents (Liabilities and Compensation) Act 1973.

Concentration of insurance risk

MAIB operates the Tasmanian compulsory third party insurance scheme with the exposure to insurance risk concentrated in motor accidents. Catastrophic motor accidents represent a significant risk, with the financial exposure being limited by taking out appropriate reinsurance cover. The retention and limits are approved by the Board of Directors and reinsurance treaties are renegotiated annually via a broker. Only firms that have at least a Standard and Poor’s ‘A’ rating are considered when selecting reinsurers.

Valuation

The outstanding claims liability is actuarially assessed in three broad categories: scheduled benefits, common law and future care. The valuation methodologies are based on those that are best suited to the characteristics of the benefits being valued and are calculated gross of all recoveries.

Scheduled benefits

- Scheduled benefits are payments made to clients on a no-fault basis. Benefits payable include the reasonable costs of:
- ambulance, hospital and medical expenses;
 - death benefits and funeral expenses;
 - rehabilitation expenses; and
 - income replacement.

Scheduled benefits exhibit high initial payments for most claims with some claims receiving ongoing payments over many years. The actuarial analysis of these costs is undertaken utilising the Payments Per Claim Incurred method.

Common law

Common law compensation is payable where the injuries result from the negligence of another party. Common law costs include damages and the associated legal costs of settling claims.

- Common law projections take into account the following:
- the number of common law claims received;
 - the rate at which common law claims are settled;
 - the average damages costs at settlement; and
 - the level of other common law costs (primarily legal and other investigation costs).

Damages payments are modelled using the Payments Per Claims Finalised method. Other common law costs are calculated using the Chain Ladder Method.

Future care

Future care benefits are paid on behalf of seriously injured clients requiring at least two hours of care per day for an indefinite period.

Future care liabilities are assessed on an individual claim basis. Each component of future care costs for individuals identified as requiring daily care is reviewed. This assessment examines the details surrounding the claim, medical reports, and care requirements, with a view to determining the likely future needs and ongoing cost.

The estimated liabilities are based on an individual valuation model that converts these assessments into cash flows for each client. Forecasts of cash flows are based on allowance for steps up and down in care needs, future claims inflation, and mortality of the claimant. Medical advice is often sought if it is thought that a client’s injuries may affect his or her life expectancy.

Allowance for IBNR claims for each of the above categories is based on assumed numbers of incurred claims multiplied by an average claim size.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

12 Outstanding claims *Continued*

(a) Actuarial assumptions and methods

The following assumptions have been made in determining the outstanding claims liability.

	2025			2024		
	Scheduled benefits	Common law	Future care	Scheduled benefits	Common law	Future care
Inflated mean term (years)	10.9	5.0	32.7	10.5	5.7	32.5
Discounted mean term (years)	5.8	4.2	18.5	5.8	4.4	19.5
Number of claims incurred but not reported (IBNR)	384	320	21	337	318	22
Average claim size (\$ '000)	23.6	234.3	6,999.8	22.0	214.1	6,657.1
Superimposed inflation	1.5%	2.0%	0.0%	1.5%	2.0%	0.0%
Claims handling expenses	11.0%	11.0%	11.0%	10.5%	10.5%	10.5%
Risk margin	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%

	2025		2024	
	Wage inflation rates ¹	Interest rates ²	Wage inflation rates ³	Interest rates ⁴
Claims expected to be paid in:				
Year 1 (following end of financial year)	3.85%	3.22%	4.25%	4.35%
Year 2	3.85%	3.10%	3.95%	4.00%
Year 3	4.05%	3.49%	3.95%	3.81%
Year 4	4.26%	3.90%	3.94%	3.98%
Year 5	4.29%	4.27%	4.10%	4.20%
Year 6	4.27%	4.60%	4.06%	4.38%
Year 7	4.21%	4.87%	4.01%	4.53%
Year 8	4.17%	5.09%	3.97%	4.65%
Year 9	4.15%	5.25%	3.96%	4.75%
Year 10	4.16%	5.36%	3.96%	4.82%
Year 11	4.16%	5.43%	3.97%	4.88%
Year 12	4.17%	5.48%	3.98%	4.92%
Year 13	4.18%	5.52%	3.98%	4.95%
Year 14	4.20%	5.56%	3.99%	4.96%
Year 15	4.21%	5.59%	3.99%	4.97%
Year 16	4.21%	5.60%	3.99%	4.97%
Year 17	4.21%	5.60%	3.99%	4.97%
Year 18	4.21%	5.60%	3.99%	4.97%
Year 19	4.21%	5.60%	3.99%	4.97%
Year 20	4.21%	5.60%	3.99%	4.97%
Year 21	4.21%	5.60%	3.99%	4.97%
Year 22	4.21%	5.60%	3.99%	4.97%
Year 23	4.21%	5.60%	3.99%	4.97%
Year 24	4.21%	5.60%	3.99%	4.97%
Year 25	4.21%	5.60%	3.99%	4.97%

¹ Projected inflation rate from year 26 onwards is 4.21%.
² Projected interest rate from year 26 onwards is 5.60%.
³ Projected inflation rate for years 26 to 38 is 3.99% and 3.98% thereafter.
⁴ Projected interest rate for years 26 to 41 is 4.96% and 4.95% thereafter.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

12 Outstanding claims *Continued*

Inflated mean term

The inflated mean term represents the dollar weighted average period to payment of claims and is unaffected by discounting. It provides an indication of the timeframe over which MAIB must manage and control the cost of these claims.

Discounted mean term

The discounted mean term is based on the inflated and discounted cash flows weighted by the period to payment.

Number of claims incurred but not reported (IBNR)

The number of IBNR claims is estimated by projecting the number of claims to be reported after the balance date arising from incidents prior to that date. This projection is based on analysis of historical reporting patterns.

Average claim size

The average claim size is shown in current dollars on estimated incurred claim numbers (reported claims plus IBNR claims).

Inflation

Wage inflation is adopted as the base for the inflation of projected future payments and is set by reference to current economic indicators.

Superimposed inflation

Superimposed inflation describes the growth in claims costs that is not explained by wage inflation, for example, increases in court settlements.

Claims handling expenses

Claims handling expenses represent the future cost of managing the claims outstanding at balance date and are calculated by reference to past experience of claims handling costs as a percentage of past payments. Claims handling expenses at 30 June 2025 are included at the rate of 11.0% of future claims payments (2024: 10.5%).

Risk margin

Estimates of claims payments contain a considerable degree of uncertainty owing to:

- fluctuations occurring in the future claims experience;
- future fundamental changes to the underlying claims experience; and
- imperfect analysis and modelling of the claims experience.

Given the long tail nature of the scheme, a risk margin is added to the actuarially assessed central estimate of the discounted future claims payments, and claims handling expenses, to provide for a higher probability at balance date that the outstanding claims liability will be adequate to cover possible adverse developments arising from those areas of uncertainty.

Each benefit type (scheduled benefits, common law and future care) is analysed taking into consideration the potential areas of uncertainty described above. The assumptions regarding uncertainty are applied to the central estimates in order to arrive at a total liability that provides for a probability of not less than 75% that the liability is sufficient to meet the actual cost of claims. This resulted in the application of a 20% risk margin at 30 June 2025 (2024: 20%).

Interest rates

Interest rates are based on market yields available on Commonwealth Government securities, which approximate risk free interest rates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

12 Outstanding claims Continued

(b) Sensitivity analysis

The valuation of the outstanding claims liability may be subject to substantial influence by factors external to MAIB, particularly by movements in the economic assumptions (interest and inflation rates) and changes in claims experience. These external factors can cause material variations in the value of the outstanding claims liability from year to year.

Sensitivity analyses are undertaken to quantify the exposure to risk of changes in the key valuation variables. The valuations included in the reported results are calculated using certain assumptions about these variables as disclosed in section (a) above. The movement in any key variable will impact MAIB's performance and equity.

The outstanding claims liability is inherently uncertain, for the following reasons:

- (a) Models used to estimate future claims payments represent a simplification of a complex claims process.
- (b) Even if a model perfectly represented the nature of the underlying claims process, past fluctuations in the claims experience mean that uncertainty arises from estimating the parameters of the model.
- (c) Any shortcomings of the data available increase uncertainty regarding the estimated parameters of the model.
- (d) Even if the true underlying parameters could be determined precisely for a perfect model, the resulting liability would still be uncertain because of:
 - (i) fluctuations in the future claim experience; and
 - (ii) the possibility of future systemic changes in the claims experience.

For some portfolios, the extent of uncertainty attributable to the sources described in points (b) and (d)(i) above can be estimated using statistical techniques. However, uncertainty attributable to the general sources described in points (a), (c) and (d)(ii) is much more difficult to quantify.

The following table describes how a change in some of the key valuation assumptions affects the outstanding claims liability.

Variable	Impact of movement in variable
Inflated and discounted mean terms	A decrease in the average mean term to settlement will lead to claims being paid sooner than anticipated. Expected payment patterns are used in determining the outstanding claims liability. During periods when assumed interest rates are higher than assumed inflation rates, an increase or decrease in the discounted mean term will have an opposing effect on the outstanding claims liability.
Number of claims incurred but not reported (IBNR)	An increase or decrease in the assumed number of IBNR claims will have a corresponding impact on the outstanding claims liability.
Average claim size	An increase or decrease in the average claim size will have a corresponding impact on the outstanding claims liability.
Wage inflation and superimposed inflation	Expected future payments are inflated to take account of inflationary increases. An increase or decrease in the assumed levels of wage inflation or superimposed inflation will have a corresponding impact on the outstanding claims liability.
Claims handling expenses	An increase or decrease in the expected claims handling expenses will have a corresponding impact on the outstanding claims liability.
Risk margin	An increase or decrease in the risk margin will have a corresponding impact on the outstanding claims liability.
Interest rate	The outstanding claims liability is calculated by reference to expected future payments. These payments are discounted at prevailing rates of interest to adjust for the time value of money. An increase or decrease in the assumed interest rate will have an opposing impact on the outstanding claims liability.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

12 Outstanding claims Continued

The following tables illustrate the sensitivity of profit/(loss) and equity to changes in some of the key valuation assumptions described above. Note that the tables are illustrative only, and it is not intended they cover the range of potential variations.

	Impact \$'000	Profit/(loss) after tax \$'000	Equity \$'000
Recognised amounts 2025		83,359	717,289
Inflation rate increased by 50 basis points	(71,527)	11,832	645,762
Inflation rate decreased by 50 basis points	63,227	146,586	780,516
Interest rate increased by 50 basis points	62,566	145,925	779,855
Interest rate decreased by 50 basis points	(71,360)	11,999	645,929
Cost of current year future care IBNR claims increased by 10%	(8,886)	74,473	708,403
Cost of current year future care IBNR claims decreased by 10%	8,886	92,245	726,175
Common law settlement size increased by 10%	(29,195)	54,164	688,094
Common law settlement size decreased by 10%	29,195	112,554	746,484
Scheduled benefits average size increased by 10%	(8,042)	75,317	709,247
Scheduled benefits average size decreased by 10%	8,042	91,401	725,331

Recognised amounts 2024		69,691	671,444
Inflation rate increased by 50 basis points	(72,529)	(2,838)	598,915
Inflation rate decreased by 50 basis points	63,700	133,391	735,144
Interest rate increased by 50 basis points	63,063	132,754	734,507
Interest rate decreased by 50 basis points	(72,416)	(2,725)	599,028
Cost of current year future care IBNR claims increased by 10%	(8,536)	61,155	662,908
Cost of current year future care IBNR claims decreased by 10%	8,536	78,227	679,980
Common law settlement size increased by 10%	(27,207)	42,484	644,237
Common law settlement size decreased by 10%	27,207	96,898	698,651
Scheduled benefits average size increased by 10%	(7,047)	62,644	664,397
Scheduled benefits average size decreased by 10%	7,047	76,738	678,491

(c) Maturity analysis

The following table presents a maturity analysis of the outstanding claims liability based on the remaining term to payment at the reporting date.

	Less than 12 months \$'000	12 months to 10 years \$'000	11 years to 20 years \$'000	20+ years \$'000	Total \$'000
30 June 2025					
Outstanding claims liability	136,587	667,391	294,904	384,064	1,482,946
	136,587	667,391	294,904	384,064	1,482,946
30 June 2024					
Outstanding claims liability	125,367	602,331	276,391	401,605	1,405,694
	125,367	602,331	276,391	401,605	1,405,694

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

12 Outstanding claims *Continued*

(d) Outstanding claims liability by benefit type

In recognition of the three benefit type streams, the outstanding claims liability is calculated under the categories of scheduled benefits, common law, and future care claims. The reconciliation between the undiscounted and discounted outstanding claims liability is shown in the following table.

	2025 \$'000	2024 \$'000
Scheduled benefits claims		
Expected future claims payments (inflated/undiscounted)	130,692	114,847
Discount to present value	(39,783)	(33,953)
Claims handling expenses	10,626	8,995
Risk margin	19,148	16,777
	120,683	106,666
Common law claims		
Expected future claims payments (inflated/undiscounted)	371,888	360,049
Discount to present value	(60,957)	(68,780)
Claims handling expenses	36,634	32,629
Risk margin	69,513	64,780
	417,078	388,678
Future care claims		
Expected future claims payments (inflated/undiscounted)	2,446,253	2,226,216
Discount to present value	(1,737,060)	(1,540,330)
Claims handling expenses	81,984	75,700
Risk margin	154,008	148,764
	945,185	910,350
All claims		
Expected future claims payments (inflated/undiscounted)	2,948,833	2,701,112
Discount to present value	(1,837,800)	(1,643,063)
Claims handling expenses	129,244	117,324
Risk margin	242,669	230,321
	1,482,946	1,405,694
Due within 12 months	136,587	125,367
Due in more than 12 months	1,346,359	1,280,327
	1,482,946	1,405,694

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

12 Outstanding claims *Continued*

(e) Reconciliation of movement in outstanding claims liability

	2025			2024		
	Gross \$'000	Recoveries \$'000	Net \$'000	Gross \$'000	Recoveries \$'000	Net \$'000
Balance at 1 July	1,405,694	23,760	1,381,934	1,336,330	21,800	1,314,530
Adjustment to prior years						
Effect of actual versus expected payments	2,125	(797)	2,922	7,435	(425)	7,860
Effect of changes in actuarial assumptions	(2,622)	1,736	(4,358)	12,194	1,228	10,966
Effect of changes in economic assumptions	(6,794)	489	(7,283)	(22,768)	(337)	(22,431)
Effect of prior year claims moving closer to payment	26,485	197	26,288	25,741	383	25,358
Net revision to prior years' claims costs	19,194	1,625	17,569	22,602	849	21,753
Incurred claims for the current accident year	171,532	1,852	169,680	150,176	1,912	148,264
Claims incurred	190,726	3,477	187,249	172,778	2,761	170,017
Claims payments and recoveries during the year	(113,474)	(306)	(113,168)	(103,414)	(801)	(102,613)
Balance at 30 June	1,482,946	26,931	1,456,015	1,405,694	23,760	1,381,934

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

12 Outstanding claims Continued

(f) Claims development table

The following table shows the development of undiscounted outstanding claims net of reinsurance recoveries relative to the ultimate expected claims for the ten most recent accident years.

	Accident year										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net of reinsurance recoveries											
Estimate of ultimate claims cost:											
End of accident year	156,465	181,328	198,001	164,396	155,847	155,804	180,406	197,745	206,064	222,674	
One year later	149,783	162,009	216,047	155,212	171,299	202,534	144,843	156,633	189,755		
Two years later	101,844	151,248	168,582	113,315	188,076	261,076	152,812	159,773			
Three years later	94,634	119,658	111,281	114,531	179,026	285,866	136,553				
Four years later	100,372	122,034	112,686	118,799	164,738	310,825					
Five years later	102,197	121,265	106,481	152,536	164,073						
Six years later	145,732	125,338	103,096	155,177							
Seven years later	169,303	132,032	102,715								
Eight years later	176,193	117,058									
Nine years later	200,292										
Current estimate of cumulative claims cost	200,292	117,058	102,715	155,177	164,073	310,825	136,553	159,773	189,755	222,674	1,758,895
Cumulative payments	(63,104)	(74,543)	(63,223)	(72,785)	(59,085)	(62,778)	(43,528)	(40,044)	(33,970)	(15,151)	(528,211)
Outstanding claims (undiscounted)	137,188	42,515	39,492	82,392	104,988	248,047	93,025	119,729	155,785	207,523	1,230,684
Discount											(652,895)
2015 and prior (discounted)											506,313
Claims handling expenses											129,244
Risk margins											242,669
Outstanding claims net of reinsurance (inflated & discounted)											1,456,015

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

13 Unexpired risk

At each reporting date, the unearned premium liability is actuarially assessed to determine if it is sufficient to cover all expected cash flows relating to future claims against current insurance contracts. This assessment is referred to as the liability adequacy test. If the present value of the expected net of reinsurance cash outflows relating to future claims plus claims handling expenses and a risk margin exceeds the unearned premium liability, then the unearned premium liability is deemed to be deficient. This deficiency is recognised as an unexpired risk liability.

The movement in the deficiency net of reinsurance is recognised through profit or loss.

The application of the liability adequacy test in respect of the unearned premium liability at 30 June is presented below.

	2025	2024
	\$'000	\$'000
(a) Unexpired risk liability		
Net central estimate	55,126	53,266
Claims handling expenses	6,484	5,964
Risk margin	12,232	11,752
Reinsurance recoveries	(448)	(467)
Premium liability	73,394	70,515
Unearned premiums	66,502	64,218
Unexpired risk liability	6,892	6,297
(b) Amount recognised in the statement of comprehensive income		
Unexpired risk liability 1 July	6,297	7,798
Unexpired risk liability 30 June	6,892	6,297
Unexpired risk expense	595	(1,501)

Claims handling expenses

Claims handling expenses as at 30 June 2025 are included at the rate of 11.0% (2024: 10.5%).

Risk margin

As at 30 June 2025, a risk margin of 20% (2024: 20%) of the net central estimate of the present value of expected future cash flows arising from future claims plus claims handling expenses has been added. The 20% risk margin provides a probability at 30 June 2025 of not less than 75% (2024: not less than 75%) that the liability is sufficient to meet the cost of claims incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

14 Provision for employee benefits

Annual leave, long service leave and sick leave

Provisions for annual leave and long service leave owing at balance date which are expected to be wholly settled within 12 months are reported at their nominal values using the remuneration rates expected to apply at the time of settlement. It is expected that all annual leave owing at balance date will be taken within the next twelve months.

In calculating the provision for long service leave, consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Provision for long service leave not expected to be settled within 12 months is measured as the present value of the estimated future cash outflows, in respect of services provided by employees up to the reporting date. Discounting is applied at the appropriate corporate bond rate.

No provision for sick leave is raised. All sick leave is expensed through profit or loss at the rates of pay current at the time of taking the leave.

Superannuation

The Retirement Benefits Fund defined benefits scheme covers eligible employees who commenced prior to 15 May 1999. The defined benefits scheme was closed to new members from that date.

The benefit is calculated as a function of the members' salaries, level of contributions, and length of service.

Each year, at the reporting date, the State Actuary conducts a valuation of the past service and accrued liabilities within the defined benefits scheme. Any shortfall between the defined benefit obligation and the fair value of assets relevant to those members determines the value of any unfunded superannuation liability, and is shown as a liability in the statement of financial position. Actuarial gains and losses are recognised in the statement of comprehensive income through other comprehensive income.

For all employees who are not members of the defined benefits scheme, the MAIB contributes at least the minimum level of superannuation required by the Commonwealth *Superannuation Guarantee (Administration) Act* 1992. Contributions are made to nominated accumulation schemes and are expensed when they fall due.

	2025 \$'000	2024 \$'000
Due within 12 months		
Annual leave	556	520
Long service leave	53	40
Net defined benefit superannuation obligation	52	212
	661	772
Due in more than 12 months		
Long service leave	629	523
Net defined benefit superannuation obligation	8,617	6,883
	9,246	7,406
Total employee benefits	9,907	8,178

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

15 Statement of cash flows

Cash and cash equivalents reported in the statement of financial position and statement of cash flows includes cash on hand, deposits held at call with financial institutions and other short-term highly liquid investments with original maturities of three months or less from the date of acquisition. Cash and cash equivalent investments are readily convertible to known amounts of cash and are subject to an immaterial risk of change in value.

(a) Reconciliation of net cash provided by operating activities to profit/(loss) after tax

	2025 \$'000	2024 \$'000
Profit/(loss) after tax	83,359	69,691
Depreciation and amortisation	1,076	766
Loss/(profit) on sale of plant and equipment	(21)	(8)
Loss/(gain) in net market value of investments	(105,761)	(92,628)
Decrease/(increase) in accrued dividends and interest	(3,845)	(2,070)
Decrease/(increase) in other assets	(2,747)	(2,723)
Increase/(decrease) in outstanding claims liability	77,251	69,364
Increase/(decrease) in unexpired risk liability	595	(1,501)
Increase/(decrease) in unearned premium liability	2,284	617
Increase/(decrease) in tax payable	8,809	(4,023)
Increase/(decrease) in net deferred tax liability	6,810	18,410
Increase/(decrease) in other liabilities	1,452	775
Net cash flow from operating activities	69,262	56,670

(b) Financing facilities

At 30 June 2025, MAIB has three corporate credit cards (2024: four) with a total limit of \$70,000 (2024: \$50,000). The balance is paid in full on a monthly basis. MAIB has no formal credit standby arrangements or unused loan facilities.

16 Auditor's remuneration

The amount payable to the Auditor-General in relation to the audit of the financial report for the year ended 30 June 2025 is \$127,500 (2024: \$93,400).

17 Dividends

Dividends are payable annually to the State Government, in accordance with the Guidelines for Tasmanian Businesses - Dividends. Ordinary dividends are brought to account in the financial statements in the year in which they are declared. Special dividends are brought to account in the financial statements in the year in which the dividend receives Parliamentary approval.

Dividend payments to the State Government are shown in the following table.

	2025 \$'000	2024 \$'000
Ordinary dividend	37,559	32,718
	37,559	32,718

Following the end of the financial year, a final ordinary dividend relating to the year ended 30 June 2025 of \$47,284,606 (2024: \$37,559,120) was recommended by directors to be paid in 2025-26.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

18 Contingent liabilities

MAIB has no contingent liabilities.

19 Commitments

MAIB’s operating expenditure commitments relate to funding of road safety initiatives through the Road Safety Advisory Council, as outlined in Note 6. The current funding arrangements with the Department of Police, Fire and Emergency Management and the Department of State Growth are for the four year period 1 July 2024 to 30 June 2028.

The capital expenditure commitments relate to the redevelopment of MAIB’s supported accommodation facilities.

	2025 \$'000	2024 \$'000
Operating expenditure commitments		
Payable in one year or less	4,922	-
Payable in one to five years	9,844	-
Payable in five years or more	-	-
Total payable	14,766	-
Capital expenditure commitments		
Payable in one year or less	6,782	-
Payable in one to five years	1,974	-
Payable in five years or more	192	-
Total payable	8,948	-

20 Events after the reporting date

There has been no matter or circumstance occurring subsequent to the end of the financial year that has materially affected or may materially affect the operations of MAIB.

21 Key management personnel information

(a) Directors

The following persons were non-executive directors of MAIB during the financial year:

- L Balcombe
- D Blunt – appointed 20 December 2024
- K FitzGerald
- K Gillies
- J Hindmarsh – to 20 December 2024
- V McLenaghan
- N Walsh – to 31 December 2024

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of MAIB, directly or indirectly, during the financial year:

- P KingstonChief Executive Officer (CEO)
- C HaylesExecutive Manager, Engagement, Communications and Governance (EMECCG) - appointed 14 November 2024
- J LangridgeChief Operating Officer (COO) - appointed 28 January 2025
- B PrattChief Operating Officer (COO) - to 20 December 2024
- D ThurmChief Financial Officer (CFO)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

21 Key management personnel information *Continued*

(c) Key management personnel compensation

	Directors		Executive		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Short-term employee benefits	298	296	880	852	1,178	1,148
Post employment benefits	34	32	102	95	136	127
Other long-term employee benefits	-	-	4	25	4	25
Termination benefits	-	-	26	-	26	-
	332	328	1,012	972	1,344	1,300

(d) Non-executive director remuneration

The following table discloses the remuneration details for each person that acted as a non-executive director during the financial year.

Name	Position	Period	Director Fees \$'000	Committee Fees \$'000	Super-annuation \$'000	Total \$'000
2025						
L Balcombe	Chair	Full year	82	7	10	99
D Blunt	Director	From 20 Dec 2024	20	3	3	26
K FitzGerald	Director	Full year	39	7	5	51
K Gillies	Director	Full year	39	8	5	52
J Hindmarsh	Director	To 20 Dec 2024	20	2	3	25
V McLenaghan	Director	Full year	39	7	5	51
N Walsh	Director	To 31 Dec 2024	21	4	3	28
			260	38	34	332
2024						
L Balcombe	Chair	Full year	82	7	10	99
K FitzGerald	Director	Full year	39	7	5	51
K Gillies ¹	Director	From 1 Jan 2024	19	3	2	24
J Hindmarsh	Director	Full year	39	7	5	51
V McLenaghan	Director	Full year	39	7	5	51
N Walsh	Director	Full year	39	8	5	52
			257	39	32	328

¹ K Gillies was appointed to the Board for a transitional period prior to the retirement of N Walsh as a Director effective 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

21 Key management personnel information Continued

(e) Executive remuneration

The following table discloses the remuneration details for those persons who acted as senior executives during the financial year.

Name	Position	Period	Base Salary ¹ \$'000	Super-annuation ² \$'000	Vehicle ³ \$'000	Other Non-Monetary Benefits ⁴ \$'000	Total Remun-eration Package \$'000	Termin-ation Benefits \$'000	Other Long-Term Benefits ⁵ \$'000	Total ⁶ \$'000
2025										
P Kingston	CEO	Full year	323	37	-	2	362	-	25	387
C Hayles	EMECCG	from 14 Nov 2024	116	13	-	2	131	-	6	137
J Langridge	COO	from 28 Jan 2025	91	10	-	2	103	-	9	112
B Pratt	COO	to 20 Dec 2024	104	12	7	2	125	26	(41)	110
D Thurm	CFO	Full year	228	30	-	3	261	-	5	266
			862	102	7	11	982	26	4	1,012
2024										
P Kingston	CEO	Full year	312	35	1	2	350	-	29	379
B Pratt	COO	Full year	210	24	-	3	237	-	7	244
D Thurm	CFO	Full year	222	25	-	3	250	-	(9)	241
J Wilson	MCI ⁷	to 31 Dec 2023	96	11	-	3	110	-	(2)	108
			840	95	1	11	947	-	25	972

¹ Base salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

² Superannuation means the contribution to the superannuation fund of the individual. Where an individual is a member of a defined benefits scheme the superannuation benefit for the defined benefit component is a notional cost calculated as the base salary multiplied by 12.95%.

³ Vehicle costs represent the cost of the private use component of vehicles provided to executives as part of their remuneration package.

⁴ Other non-monetary benefits represent the cost of the private use component of car parking provided to executives as part of their remuneration package.

⁵ Other long-term benefits comprise only annual leave and long service leave movements.

⁶ Total includes all forms of remuneration and benefits paid or payable. No other monetary or non-monetary benefits are paid or provided.

⁷ The position of Manager Continuous Improvement was discontinued as a member of the Executive effective 31 December 2023.

(f) Remuneration policies

Non-executive director remuneration

Non-executive directors are appointed by the Governor-in-Council on the joint recommendation of the Treasurer and Portfolio Minister. Each instrument of appointment is for a maximum period of three years and prescribes the relevant remuneration provisions. Directors can be reappointed in accordance with the *Guidelines for Tasmanian Government Businesses - Board Appointments*.

Non-executive directors' remuneration is administered by the Department of Premier and Cabinet. Remuneration levels are reviewed periodically, with increases subject to approval by the Treasurer and Portfolio Minister.

Superannuation is paid at the appropriate rate as prescribed by superannuation guarantee legislation.

No other leave, termination or retirement benefits are accrued or paid to directors.

Directors are entitled to reimbursement of expenses incurred while attending to MAIB business.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

21 Key management personnel information Continued

Executive remuneration

Remuneration levels for key management personnel are set in accordance with the current *Guidelines for Tasmanian Government Businesses - Director and Executive Remuneration*. Under these Guidelines, remuneration bands for Chief Executive Officers (CEOs) are approved by the Treasurer, reflect the principles outlined in the Guidelines and broadly align with State Service Heads of Agency. Positioning within the bands depends on the complexity and size of the business and the environment in which the business operates. Remuneration for other senior executives is set with reference to the CEO's salary.

The CEO is appointed by the Premier following selection and recommendation by the Board of MAIB and the Portfolio Minister, including consideration of the CEO's remuneration package.

The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe total remuneration, superannuation, motor vehicle and salary sacrifice provisions.

The performance of each senior executive, including the CEO, is reviewed annually which includes a review of the remuneration package.

Consistent with the requirements of the *Government Business Enterprises Act 1995*, employment contracts have durations not exceeding five years. While not automatic, contracts can be extended.

Short-term incentive payments

Senior executive contracts do not contain provisions for the payment of short term incentives or bonuses.

Termination benefits

Belinda Pratt ceased employment effective 20 December 2024 and was paid a total termination benefit of \$26,178 comprising accrued leave entitlements.

Acting arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to the key management positions during their period of absence. No acting arrangements were in place during 2024-25.

Other transactions of key management personnel and related parties

For all Tasmanian Government businesses, related parties are considered to include:

- a subsidiary or joint venture;
- key management personnel or close family members of key management personnel;
- Ministers or close family members of Ministers;
- any entities controlled or jointly controlled by key management personnel or their close family members; and
- any entities controlled or jointly controlled by Ministers or their close family members.

Some key management personnel, or their related parties, transacted with MAIB in the reporting period as owners of registered motor vehicles on terms and conditions no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel.

There were no material related party transactions requiring disclosure.

Independent Auditor’s Report
To the Members of Parliament
Motor Accidents Insurance Board
Report on the Audit of the Financial Report

Opinion

I have audited the financial report of the Motor Accidents Insurance Board (MAIB), which comprises the statement of financial position as at 30 June 2025 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement of certification signed by the directors.

In my opinion, the accompanying financial report is in accordance with the *Government Business Enterprises Act 1995*, including:

- (a) giving a true and fair view of MAIB’s financial position as at 30 June 2025 and of its financial performance and its cash flows for the year then ended
- (b) complying with Australian Accounting Standards.

Basis for Opinion

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

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General’s opinion are significant.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Significant investments and investment revenue <i>Refer to note 4 and 8</i>	
MAIB held \$2.26 billion of investments at 30 June 2025. MAIB’s net investment income to 30 June 2025 was a profit of \$177.86 million. This included dividends, interest and realised and unrealised gains and losses resulting from the change in the fair value of investments. All investments were held with fund managers who are responsible for achieving agreed performance targets, whilst operating within established an established framework. MAIB places significant reliance on the appointed investment managers and custodian in regard to the existence, rights and obligations, and valuation of the investments and disclosures made in the financial report. These matters are complex and the nature of the market-to-market valuation of the investments can significantly impact their balances at the end of each reporting period.	Controls audit procedures: - Evaluating the design of MAIB’s relevant controls over the investments process and assessing whether a sample of these controls operated effectively through the year. - Evaluating MAIB’s internal assessment of investment compliance with legislative and prescribed policies relating to investments. - Obtaining an Independent Service Auditor’s Assurance Report on the: – custodian’s description of controls over custody, investment administration, unit registry and related technology systems – design and operating effectiveness of those controls, – and assessing the impact, in relation to MAIB, of the control exceptions identified in the Report. Substantive audit procedures: - Evaluating the appropriateness of the valuation methodologies used against the requirements of the Australian Accounting Standards. - Verifying investment revenues to the custodian portfolio reconciliation report.

	- Verifying MAIB’s investment balances at balance date to the custodian valuation report and individual fund statements. - Considering the reasonableness of the MAIB’s disclosures against the requirements of Australian Accounting Standards.
Outstanding claims liability and claims expense <i>Refer to note 3 and 12</i>	
MAIB relies upon external actuarial advice for the valuation of the outstanding claims liability, which totalled \$1.48 billion at 30 June 2025. The estimation of outstanding claims liabilities involves significant judgement given the high degree of uncertainty that is inherent in estimating the expected future payments for claims incurred. In addition, long–tail liability businesses, such as MAIB, experience a high level of uncertainty in the estimation for outstanding claims. Inherent subjectivity involved in making judgements in relation to the assumptions applied in the valuation methodology can significantly impact the liability balance and resulting claims expense. This includes assumptions which are susceptible to changed economic conditions such as movements in the Australian Government bond rate, inflation rate and changes in claims experience.	Controls audit procedures: - Verifying claims expenditure and access to claims approval and payment processing is appropriately restricted and authorised. - Verifying claims management and expenditure are compliant with policy and procedure. - Verifying the claims management system reconciles to the general ledger system to ensure accurate financial reporting. Substantive audit procedures: - Reviewing expense and liability disclosures to the actuarial report at 30 June 2025. - Engaging an independent actuarial expert to conduct a review of the appropriateness of the key assumptions used in the estimation of the outstanding claims liabilities at 30 June 2025. - Assessing the adequacy and completeness of disclosures in the financial statements as required by AASB 1023 <i>General Insurance Contracts</i>.

Responsibilities of the Directors for the Financial Report

The directors of MAIB are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the *Government Business Enterprises Act 1995* and for such internal control as the directors determine is

necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing MAIB’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate MAIB or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Report

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

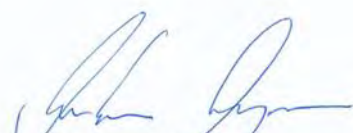
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MAIB’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on MAIB’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause MAIB to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Martin Thompson
Auditor-General

14 August 2025
Hobart

CERTIFICATION

In the opinion of the directors of the Motor Accidents Insurance Board:

- (a) the financial statements and notes of the Enterprise are in accordance with the *Government Business Enterprises Act 1995*, including:
 - i. giving a true and fair view of the results and cash flows for the year ended 30 June 2025 and the financial position as at 30 June 2025 of the Enterprise; and
 - ii. complying with the Australian Accounting Standards and Interpretations and with the Treasurer's Instructions.
- (b) there are reasonable grounds to believe that the Enterprise will be able to pay its debts as and when they fall due.

This declaration has been made after receiving the following declaration from the Chief Executive Officer and the Chief Financial Officer of the Enterprise:

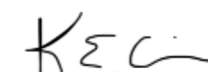
- (a) the financial records of the Enterprise for the period ended 30 June 2025 have been properly maintained in accordance with section 51 of the *Government Business Enterprises Act 1995*;
- (b) the financial statements, and notes for the period ended 30 June 2025 have been prepared in accordance with section 52 of the *Government Business Enterprises Act 1995*; and
- (c) the financial statements and notes for the period ended 30 June 2025 give a true and fair view.

Signed in accordance with a resolution of the directors:

Dated 13 August 2025

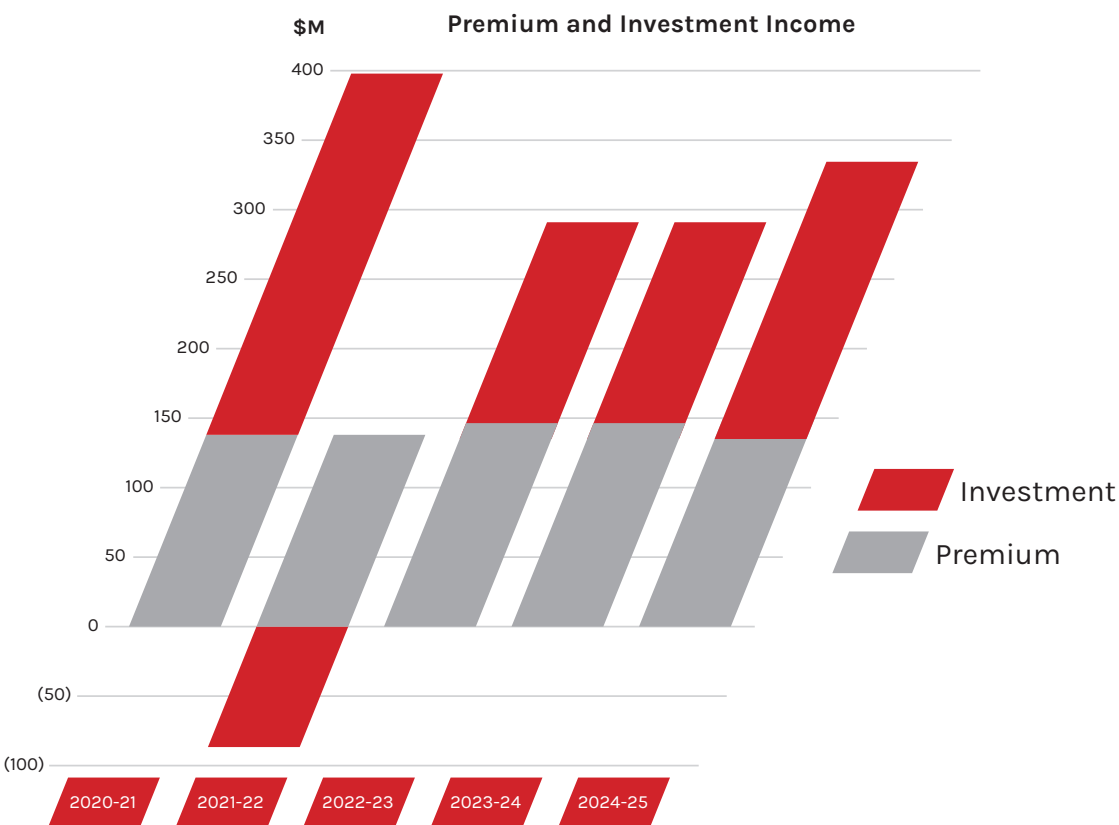


L Balcombe
Chair

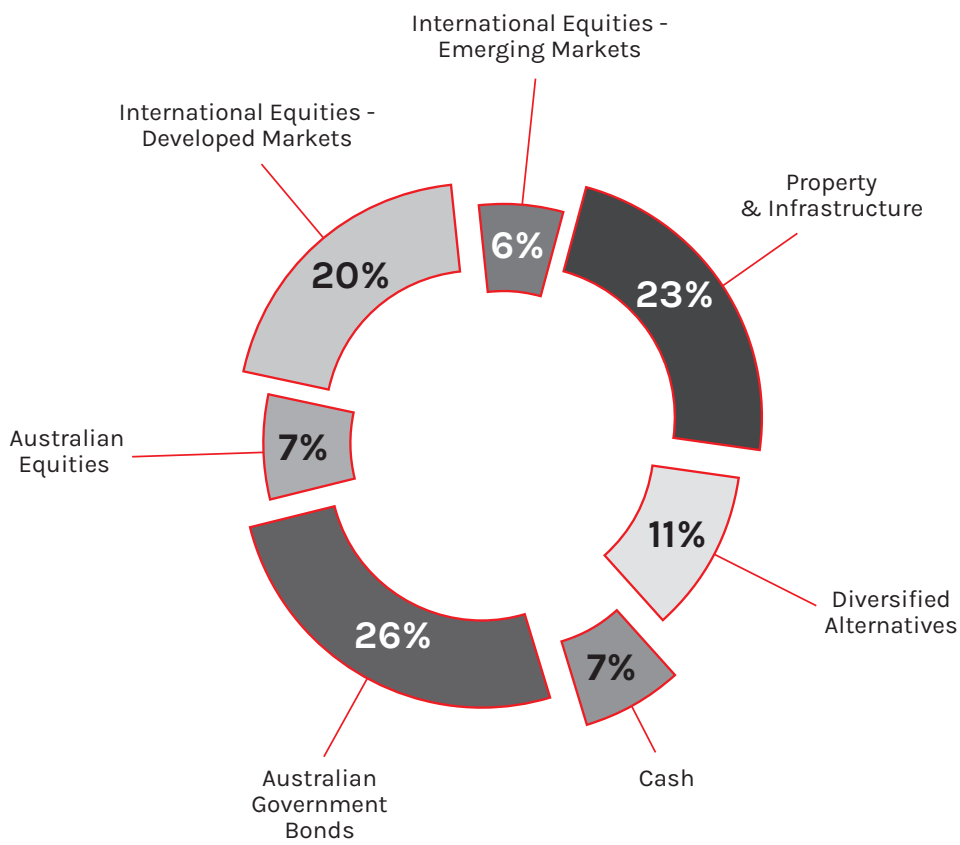


K Gillies
Director

APPENDIX



Asset Allocations at 30 June 2025



APPENDIX CONTINUED

	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
Premium revenue	141,588	141,870	145,687	150,403	157,864
Outwards reinsurance expense	(5,941)	(6,419)	(6,583)	(7,484)	(7,565)
Claims recovery revenue	8,381	2,186	3,203	2,761	3,477
Gross claims incurred	(81,421)	(104,180)	(120,632)	(172,778)	(190,726)
Unexpired risk expense	1,245	(2,901)	(499)	1,501	(595)
Other underwriting expenses	(3,065)	(3,255)	(3,259)	(3,309)	(3,381)
Underwriting result	60,787	27,301	17,917	(28,906)	(40,926)
Investment and other revenue	256,173	(86,031)	145,790	142,528	178,629
Administration, funding and other expenses	(14,032)	(15,133)	(17,027)	(17,907)	(21,799)
Profit/(loss) before tax	302,298	(73,863)	146,680	95,715	115,904
Tax (expense)/benefit	(88,622)	26,281	(41,660)	(26,024)	(32,545)
Profit/(loss) after tax	215,655	(47,582)	105,020	69,691	83,359
Net assets	652,525	559,868	634,735	671,444	717,289
Dividend paid	32,634	48,292	30,871	32,718	37,559

FIVE YEAR SUMMARY - OPERATIONAL	2020-21	2021-22	2022-23	2023-24	2024-25
Number of vehicles registered	573,803	589,169	602,617	613,297	626,353
Claim payments (\$'000)	85,919	92,610	104,098	110,043	120,970
Number of current claims	2,373	2,378	2,382	2,382	2,353
New claims received	2,163	1,923	1,899	1,953	1,991
Number of fatalities	32	48	39	38	43
Fatality rate per 1,000 vehicles	0.06	0.08	0.07	0.06	0.07
Claims per 1,000 vehicles	3.8	3.3	3.2	3.2	3.2
Tasmanian car premium (\$)	282	282	282	289	298

Interstate Scheme Comparisons

SCHEME COMPONENT	TAS	VIC	NT	NSW	QLD	WA	SA	ACT
No fault	Yes	Yes	Yes	Yes ¹	No	No	No	No
Lifetime Care (support for catastrophically injured)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Common Law Rights	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Monopoly Scheme	Yes	Yes	Yes	No	No	Yes	No	No
Motor Car Premium ²	\$298	\$534	\$607	\$576 ³	\$387	\$459	\$383 ⁴	\$527

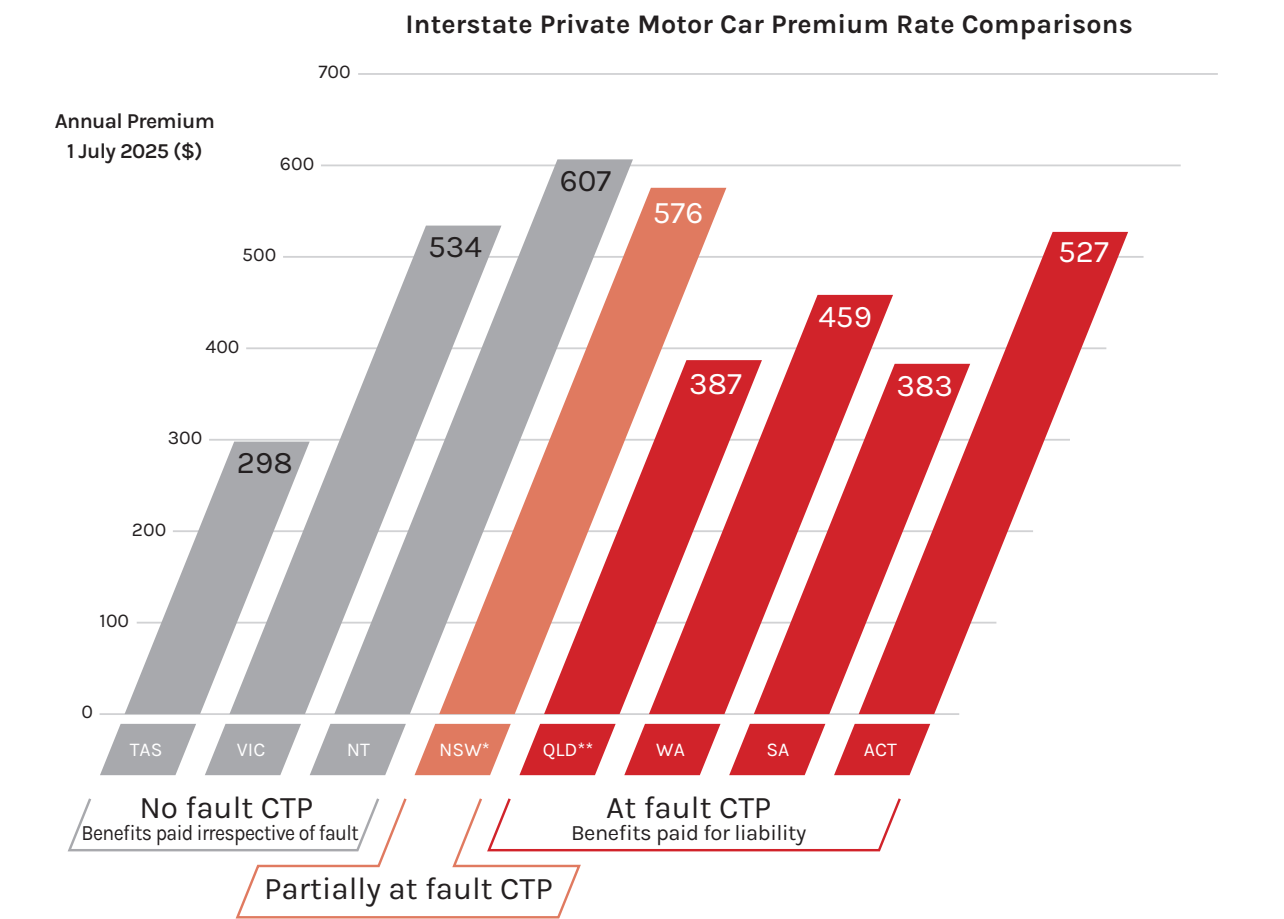
¹ For the first six months (unless charged with a serious driving offence).

² Inclusive of GST and as at 1 July 2025.

³ Average rates for Sydney Metropolitan passenger vehicles (premiums range from \$468 to \$781).

⁴ Based on the lowest insurer filed rates for Adelaide Metropolitan passenger vehicles.

APPENDIX CONTINUED



*For necessary and reasonable treatment, care and support for victims of motor vehicle accidents who suffer minor injuries, for a period of up to 26 weeks.

**For necessary and reasonable treatment, care and support for children aged under 16 years.

Payment of Accounts

In accordance with Treasurer's Instruction GBE-13-114-09 (Payment of Accounts), the MAIB is required to report on the timeliness of its payment of accounts. The MAIB has internal policies and procedures in place to comply with the Treasurer's Instructions and Treasury Guidelines, specifically:

- All relevant, correctly rendered invoices to be paid by the due date and, where they are less than \$50,000, to be paid within 30 days, or by the due date if the payment terms are less than 30 days;
- If payment is made late, interest is to be self-assessed and paid to providers in accordance with negotiated arrangements. The penalty interest to be paid is the greater of \$20, or an amount calculated on a daily basis from the payment due date of the correctly rendered invoice until the date of payment; and
- A formal complaint procedure exists if a provider is not satisfied with the payment of an invoice and/or the payment of penalty interest.

The following payments are excluded from the requirements of the Treasurer's Instructions and Treasury Guidelines:

- Payments made to, or on behalf of, clients (hospital, ambulance, treatment etc.). These reimbursements are outside the intended scope of the Guidelines; and
- Payments by credit card (credit card payments are made at the time of purchase and have been excluded from being assessed against the requirements of the Guidelines).

APPENDIX CONTINUED

Accounts due or paid within 2024-25

Measure	
Creditor days	19
Number of accounts due for payment	11,891
Number of accounts paid on time	11,808
Amount due for payment	\$37,295,437
Amount paid on time	\$37,146,169
Number of payments for interest on overdue accounts ¹	3
Interest paid on overdue accounts	\$60

¹ Not all creditors sought interest payments on overdue accounts.

Procurement (Buy Local)

In accordance with Treasurer's Instruction GBE-13-114-11 (Buy Local), the MAIB is required to report on its procurement policies and practices and how these support local businesses.

Payments made to, or on behalf of, clients (hospital, ambulance, treatment etc.) are excluded as these reimbursements are outside the intended scope of the Treasurer's Instruction.

MAIB purchases¹ from Tasmanian businesses 2024-25

Percentage of purchases from Tasmanian businesses	73.3%
Value of purchases from Tasmanian businesses	\$21,906,905

¹ Excludes payments to specialist reinsurers (\$7.5 million). There are no appropriately licensed reinsurers located in Tasmania.

Consultancies¹ valued at more than \$50,000 (ex GST) in 2024-25

Name of consultant	Location	Description	Period of engagement	Amount (\$)
Aon Benfield	Sydney, NSW	Reinsurance broker	Full Year	460,000
Cor Comms	Hobart, TAS	Marketing	13 Jan 2025 to 30 Jun 2025	56,519
Cushman & Wakefield (Valuations) Pty Ltd	Melbourne, VIC	Project advisory	Full Year	524,560
CyberCX	Melbourne, VIC	Cybersecurity	Full Year	274,650
Deloitte Touche Tohmatsu	Sydney, NSW	Business advisory	Full Year	640,458
Etvia Corporation Pty Ltd	Cammeray, NSW	Strategic, planning and culture advisory	Full Year	55,450
Frontier Advisors	Melbourne, VIC	Investment consultant	Full Year	447,014
Jasmax	Strawberry Hills, NSW	Architectural advisory	Full Year	705,712
People Talking	Sydney, NSW	Human resources consultant	Full Year	133,151
Slattery Australia Pty Ltd	Melbourne, VIC	Property and construction advisory	Full Year	116,250
Taylor Fry Pty Ltd	Melbourne, VIC	Actuary	Full Year	384,289
Total				3,798,053
There were 14 consultancies for \$50,000 or less totalling				237,335
Total Payment to Consultants				4,035,388

¹ Excludes standard professional services such as accounting, audit, tax and legal services.

APPENDIX CONTINUED

Directors’ Meetings

The number of Board and associated Committee meetings held and attendance by Directors in 2024-25 is provided below.

Director	Board (13 meetings held)	Audit Committee (6 meetings held)	Claims Committee (11 meetings held)	Foundation Committee (2 meetings held)
Lance Balcombe	■■■■■■■■■■	■■■■■	n/a	■■
David Blunt ¹	■■■■■	■■■	■■■■■	n/a
Kristen FitzGerald	■■■■■■■■■■	n/a	■■■■■■■■■	■■
Kate Gillies ²	■■■■■■■■■■	■■■■■	■■■■■	n/a
John Hindmarsh ³	■■■■■	n/a	■■■■■	n/a
Vince McLenaghan	■■■■■■■■■■	■■■■■	■■■■■■■■■	n/a
Naomi Walsh ⁴	■■■■■	■■■	n/a	n/a

¹ Commenced on 20 December 2024, eligible to attend five Board meetings, three Audit Committee and five Claims Committee meetings.

² Kate Gillies was a member of the Claims Committee until December 2024 and was eligible to attend six Claims Committee meetings.

³ Retired from the Board effective 20 December 2024, eligible to attend eight Board meetings and six Claims Committee meetings.

⁴ Retired from the Board effective 31 December 2024, eligible to attend eight Board meetings and three Audit Committee meetings.

Directors' Appointment Terms

The appointment details of all Directors are provided below.

Director	Date of original appointment	Commencement date of current term	Expiry date of current term
Lance Balcombe	02-08-2021	17-12-2022	16-12-2025
David Blunt	20-12-2024	20-12-2024	31-01-2026
Kristen FitzGerald	01-10-2021	01-10-2024	30-09-2027
Kate Gillies	01-01-2024	01-01-2024	31-12-2026
John Hindmarsh	01-02-2020	01-02-2023	20-12-2024
Vince McLenaghan	27-03-2023	27-03-2023	26-03-2026
Naomi Walsh	01-01-2019	01-01-2022	31-12-2024

Public Interest Disclosures Act 2002

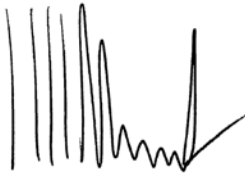
The MAIB is committed to the aims and objectives of the *Public Interest Disclosures Act 2002* (PID Act). It does not accept improper conduct by its employees or officers or the taking of detrimental action against those who come forward to disclose such conduct.

MAIB places value upon transparency and accountability in administrative and management practices and we support the making of disclosures that reveal the type of conduct to which the PID Act is directed. We take all reasonable steps to protect the welfare of people who make such disclosures from any detrimental reprisal or action.

Procedures that comply with the requirements of the PID Act are available on the MAIB website. There were no reported or reportable disclosures under the PID Act during the 2024-25 period.

Superannuation

I certify that the MAIB has met its obligations under the Commonwealth’s *Superannuation Guarantee (Administration) Act 1992* in respect of any employee who is a member of a complying superannuation scheme to which the MAIB contributes.



Paul Kingston
Chief Executive Officer





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