



Fair Work
Commission

10 October 2023

Frank Agostino
Chair
Motor Trade Association of South Australia Incorporated

Sent via email: mta@mtaofsa.com.au

CC: andrew.tickle@bdo.com.au

Dear Frank Agostino

**The Motor Trade Association of South Australia Incorporated
Financial Report for the year ended 31 March 2023 – FR2023/6**

I acknowledge receipt of the financial report for the year ended 31 March 2023 for the Motor Trade Association of South Australia Incorporated (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 6 October 2023.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

If you have any queries regarding this letter, please contact me on (03) 8650 0183 or via email at ken.morgan@fwc.gov.au.

Yours sincerely

KEN MORGAN
Assistant Director, Financial Analysis
Registered Organisations Services Branch

THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INCORPORATED

s. 268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 31 March 2023

I, FRANK AGOSTINO being the Chair of The Motor Trade Association of South Australia Inc. certify:

- that the documents lodged herewith are copies of the full report for The Motor Trade Association of South Australia Inc. for the period ended 31 March 2023 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 5 September 2023; and
- that the full report was presented to a general meeting of members of the reporting unit on 26 September 2023 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature of prescribed designated officer

FRANK AGOSTINO

Name of prescribed designated officer

Chair

Title of prescribed designated officer

5 October 2023

Dated

The Motor Trade Association of SA Inc.

ABN 65 767 492 138

Consolidated Financial Report

For the year ended

31 March 2023

MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC. AND CONSOLIDATED ENTITIES

ABN 65 767 492 138

Operating Report

The Board of Management of The Motor Trade Association of South Australia Incorporated (the Association), present for the reporting unit the operating report, for the financial year ended 31 March 2023.

The names of the members of the Board of Management of the Association during the financial year, unless indicated otherwise were:

Frank Agostino	John Hitchcock
Neville Gibb	Mark McGuire
Clive Polley	Tom Skothos (01/04/22 –29/09/22)
Peter Roberts	Mark Flynn (29/09/22- 31/03/23)

Principal Activities

The principal activities of the Association and its controlled entities, during the financial year were to serve the interests of employers and members of the Retail Motor Trade in SA by;

- Providing a political voice for the retail motor industry;
- Providing an industry voice in discussion with all levels of government;
- Providing industrial award advice, advocacy and representation;
- Providing technical information and specialized industry stationery; and
- Training apprentices for the retail motor industry.

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

Operational and financial review

The financial statements and comparative figures for the Association and the Consolidated Entity are for the twelve months ended 31 March 2023.

Statement of profit or loss and other comprehensive income

The Associations surplus from ordinary activities in the financial year ended 31 March 2023 was \$396,014, (2022: surplus \$815,581) and for the Consolidated Entity surplus of \$368,548, (2022: deficit of \$39,390).

Statement of Financial Position

Equity increased to \$12,526,137, (2022: \$12,130,123) for the Association and increased to \$22,743,887, (2022: \$22,375,339) for the Consolidated Entity.

The Association's cash flow from operating activities was \$121,938, (2022: \$555,503) and the Consolidated Entity \$20,035 (2022: \$816,376).

Events since balance date

No other matter or circumstance has arisen since 31 March 2023 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

Members

Members' rights to resign is set out in Item 6.2 of the Constitution in summary a member may resign from membership by written notice addressed and delivered to the offices of the Motor Trade Association of SA Inc.

At the end of the financial year there were 1,298 members including 2 associate members of the Motor Trade Association of SA Inc, (2022: 1,298 inclusive of 2 associate member). Associate members receive limited services.


Staffing

The Association employed 84 staff at the end of the financial year, (2022: 78). The Consolidated Entity employed 530 staff at year end (2022: 529).

Trustee or Director of Superannuation Entity

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Signed in accordance with the resolution of the Board of Management.

Chairman 
Frank Agostino

Dated this 25th day of July 2023

**MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.
AND CONSOLIDATED ENTITIES**

ABN 65 767 492 138

**Statement of profit or loss and other comprehensive income
For the year ended 31 March 2023**

	<i>Note</i>	MTA		Consolidated	
		2023	2022	2023	2022
		\$	\$	\$	\$
Revenue					
Membership subscriptions	2(a)	1,813,748	1,640,417	1,813,748	1,640,417
Revenue from contracts with customers	2(b)	1,567,123	2,080,042	23,470,075	23,466,588
Other revenue	2(c)	6,042,023	5,947,515	299,045	243,029
Profit/(Loss) on sale of asset		(14,909)	592,993	48,259	621,672
Profit on Revaluation of Investments		415,000	315,000	415,000	315,000
Total revenue		9,822,985	10,575,967	26,046,127	26,286,706
Other Income					
Grants	2(d)	199,992	-	5,028,535	4,556,619
		199,992	-	5,028,535	4,556,619
Total other income		199,992	-	5,028,535	4,556,619
Total income		10,022,977	10,575,967	31,074,662	30,843,325
Administration expenses		651,708	739,447	1,945,579	2,029,413
Advertising		149,400	75,827	387,620	272,768
Advocacy		969	1,246	969	1,246
Affiliation fees	3(a)	187,500	187,500	187,500	187,500
Apprentice training fees		-	-	180,441	273,837
Conferences and meeting expenses	3(b)	31,898	18,714	31,898	18,714
Cost of sales – print & stationery		(65)	191,314	(65)	191,314
Depreciation		300,424	308,630	956,291	873,692
Donations	3(c)	12,736	11,522	12,736	11,764
Employee expenses	3(d)	7,739,787	7,370,709	26,260,048	25,989,508
Grant expenses	3(c)	-	-	-	-
Insurance		109,116	101,557	202,191	193,270
Legal costs	3(e)	25,309	116,008	29,709	127,618
Motor vehicle costs		40,325	35,498	137,763	128,656
Motor trade journal		9,000	-	9,000	-
Property expenses	3(f)	350,308	450,040	350,308	450,040
Telephone		53,200	48,857	68,458	64,793
Travel		57,583	29,557	146,680	94,034
Costs from ordinary activities		9,719,198	9,686,426	30,907,126	30,908,167
Operating surplus from operating activities		303,779	889,541	167,536	(64,842)
Net finance income	2(e)	92,235	(73,960)	201,012	25,452
Surplus /(deficit) for the period		396,014	815,581	368,548	(39,390)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income/(deficit) for the period		396,014	815,581	368,548	(39,390)

The statement of comprehensive income should be read in conjunction with the notes to the financial statements set out on pages 7 to 32.

MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.
AND CONSOLIDATED ENTITIES
ABN 65 767 492 138

Statement of Changes in Equity

For the year ended 31 March 2023

	<i>Note</i>	MTA		Consolidated	
		2023	2022	2023	2022
		\$	\$	\$	\$
Accumulated Surplus:					
Opening accumulated surplus		12,130,123	11,314,542	22,375,339	22,414,729
Surplus /(deficit) for the period		396,014	815,581	368,548	(39,390)
Closing accumulated surplus		12,526,137	12,130,123	22,743,887	22,375,339
<u>Other comprehensive income</u>					
Items that will not be reclassified to profit or loss		-	-	-	-
<u>Total comprehensive income/ (deficit) for the period</u>		396,014	815,581	368,548	(39,390)
Total equity at the end of the year		12,526,137	12,130,123	22,743,887	22,375,339

The statement of comprehensive income should be read in conjunction with the notes to the financial statements set out on pages 7 to 32.

MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.
AND CONSOLIDATED ENTITIES
ABN 65 767 492 138

Statement of Financial Position

As at 31 March 2023

		MTA		Consolidated	
	<i>Note</i>	2023	2022	2023	2022
		\$	\$	\$	\$
Assets					
Cash	4	1,113,276	1,703,260	2,913,999	3,018,113
Trade and other receivables	5	970,341	977,787	2,894,515	2,435,135
Inventories	6	66	-	13,298	7,248
Investments	7	3,923,080	3,837,202	9,060,308	10,386,883
Total current assets		6006,763	6,518,249	14,882,120	15,847,379
Investment property	8	2,800,000	2,385,000	2,800,000	2,385,000
Property, plant and equipment	9	5,347,564	5,036,853	9,041,064	8,498,372
Intangible Assets	10	-	-	-	-
Total non-current assets		8,147,564	7,421,853	11,841,064	10,883,372
Total assets		14,154,327	13,940,102	26,723,184	26,730,751
Liabilities					
Trade and other payables	11	505,137	712,675	1,846,168	2,271,204
Employee benefits	12	1,056,540	1,023,521	2,066,616	2,010,425
Borrowings	13	1,000	1,000	1,000	1,000
Total current liabilities		1,562,677	1,737,196	3,913,784	4,282,629
Employee benefits	12	65,513	72,783	65,513	72,783
Borrowings	13	-	-	-	-
Total non-current liabilities		65,513	72,783	65,513	72,783
Total liabilities		1,628,190	1,809,979	3,979,297	4,355,412
Net assets		12,526,137	12,130,123	22,743,887	22,375,339
Equity					
Accumulated surplus		12,526,137	12,130,123	22,743,887	22,375,339
Fair value reserve		-	-	-	-
Total equity		12,526,137	12,130,123	22,743,887	22,375,339

The statement of comprehensive income should be read in conjunction with the notes to the financial statements set out on pages 7 to 32.

MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.
AND CONSOLIDATED ENTITIES
ABN 65 767 492 138

Statements of cash flows
For the year ended 31 March 2023

	<i>Note</i>	MTA		Consolidated	
		2023	2022	2023	2022
		\$	\$	\$	\$
Cash flows from operating activities					
Cash receipts from customers		10,593,365	10,801,555	33,167,225	33,451,466
Cash paid to suppliers and employees		(10,563,662)	(10,172,092)	(33,348,202)	(32,660,542)
Cash generated from operations		29,703	629,463	(180,977)	790,924
Interest expense		-	(85,298)	-	-
Interest received		92,235	11,338	201,012	25,452
Net cash from operating activities	<i>14</i>	121,938	555,503	20,035	816,376
Cash flows from investing activities					
Payments for investments		(85,878)	(11,186)	1,326,575	(3,525,081)
Proceeds from settlement of investments		-	3,542,993	-	3,542,993
Payments for property, plant and equipment		(635,645)	(317,969)	(1,551,647)	(1,429,421)
Proceeds from sale of property, plant and equipment		9,601	21,643	100,923	78,914
Net cash from investing activities		(711,922)	3,235,481	(124,149)	(1,332,594)
Cash flows from financing activities					
Loans from external parties		-	(3,524,773)	-	-
Net cash from financing activities		-	(3,524,773)	-	-
Net increase in cash and cash equivalents		(589,984)	266,211	(104,114)	(516,218)
Cash and cash equivalents at 1 April		1,703,260	1,437,049	3,018,113	3,534,331
Cash and cash equivalents at 31 March	<i>4</i>	1,113,276	1,703,260	2,913,999	3,018,113

The statement of cash flows should be read in conjunction with the notes to the financial statements set out on pages 7 to 32.

Notes to the consolidated financial statements

1. Significant accounting policies

The Motor Trade Association of SA Inc. (the "Association") is a not for profit entity and the entity is domiciled in South Australia. The consolidated financial report of the Association for the year ended 31 March 2023 comprises the Association and its subsidiaries (together referred to as the "Consolidated Entity").

The financial report was authorised for issue by the directors on 25th day of July 2023.

(a) Statement of compliance

The consolidated financial report of the Consolidated Entity and the financial report of the Association is a Tier 1 general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASB's) adopted by the Australian Accounting Standards Board, the Associations Incorporation Act 1985 (as amended), Fair Work (Registered Organisations) Act 2009 (RO Act) and the Australian Charities and Not-for-profits Commission Act 2012.

(b) Basis of preparation

The financial report is presented in Australian dollars.

The financial report is prepared on an accrual basis and the historical cost basis, except for investments and investment properties which are measured at fair value.

(i) Judgement and estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Association and the Consolidated Entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is 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. Accounting estimates are discussed in the following notes;

- Note 8 Investment Property
- Note 9 Property, Plant and Equipment

(ii) Measurement of fair values

A number of the Association's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Association has an established control framework with respect to the measurement of fair values with all significant valuation issues reported to the Board of Management.

When measuring fair value of an asset or a liability, the Association uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from process); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Notes to the consolidated financial statements (continued)

1. Significant accounting policies (continued)

Further information about the assumptions made in measuring fair values is included in the following noted:

- Note 8 - Investment property

(c) Going Concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

The result for the Association for the year ended 31 March 2023 was a surplus of \$396,014 (2022: surplus of \$815,581) and a net current asset surplus of \$4,444,086 (2022: net current asset surplus of \$4,781,053). The Board of Management believe the Association is a going concern due to the expected profitability of the business. It is on this basis the financial statements have been prepared on a going concern basis.

The parent entity is not reliant on any agreed financial support from any other controlled entity to continue on a going concern basis.

The reporting units do not provide financial support to any reporting entities to ensure they can continue on a going concern basis.

(d) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Association. Control exists when the Association is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in all subsidiaries are carried at their cost of acquisition in the Association's financial statements.

There are no changes in the nature of, and change in, the risks associated with its interest in consolidated structured entities.

There are no changes in the ownership interest of its subsidiaries that has resulted in a loss of control. There are no changes in the control of subsidiaries during the reporting period.

(ii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Notes to the consolidated financial statements (continued)

1. Significant accounting policies (continued)

(e) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost (or deemed cost) less accumulated depreciation (see below) and impairment losses (see accounting policy (l)).

Where parts of an item of property plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Expenditure on fixed assets of less than \$300 is expensed when incurred.

Subsequent costs

The Consolidated Entity recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefit embodied within the item will flow to the Consolidated Entity and the cost of the item can be reliably measured. All other costs are recognised in profit and loss as an expense as incurred.

The Association has a policy of valuing property owned by the Association every three years unless there is an indication of impairment. An impairment loss will be reflected in profit or loss if the valuation represents a devaluation below the initial cost recognised in the Statement of Financial Position.

(ii) Depreciation

The depreciable amount of all fixed assets are depreciated over the estimated economic life of the asset to the Consolidated Entity commencing from the time the asset is held ready for use. Assets with a written down value of less than \$100 at the end of the year, are depreciated to nil value at the year end.

Leasehold improvements are depreciated over the shorter of the leased term or estimated useful lives of the improvements.

Plant and equipment are depreciated from the date of acquisition. The straight line method is used.

Buildings and improvements are depreciated over their expected useful economic life. The straight line method is used.

Motor vehicles are depreciated over their expected useful economic life. Diminishing value method is used.

Furniture and fittings are depreciated over their expected useful economic life. The straight line method is used.

Notes to the consolidated financial statements (continued)

1. Significant accounting policies (continued)

The depreciation rates used for each class of depreciable asset vary dependent on the assessed economic life of each individual asset, and within each class the depreciation rates used are as follows:

Asset Class	Depreciation Rates	
	2022/23	2021/22
Plant & Equipment	6.6 to 50.0%	6.6 to 50.0%
Furniture & Fittings	10.0 to 33.3%	10.0 to 33.3%
Motor Vehicles	22.5 to 25.0%	22.5 to 25.0%
Buildings & Improvements	2.5 to 17%	2.5 to 17%

The residual value, if not insignificant, is reassessed annually.

(f) Expenses

Net financing costs

Net financing costs comprise interest payable on borrowings and dividend, interest and distribution income. Leases income is recognised in profit and loss as it accrues, using the effective interest method. Dividend and distribution income is recognised in profit and loss on the date the Consolidated Entity's right to receive payments is established.

(g) Investments

The Consolidated Entity's financial investments comprise term deposits carried at amortised cost where cashflows relate solely to principal plus interest.

(h) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

(i) Trade and other receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'receivables'. Receivables are measured at amortised cost using the effective interest method less any impairment (see accounting policy I).

Bad debts are measured using an expected credit loss model.

(j) Inventories

Inventories consist of protective clothing, tool kits and educational resources and are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Notes to the consolidated financial statements (continued)

1. Significant accounting policies (continued)

(k) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and cash at bank. Bank overdrafts that are repayable on demand and deposits at call that form an integral part of the Consolidated Entity's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

(l) Impairment

The carrying amounts of the Consolidated Entity's assets, other than inventories (see accounting policy j), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see below).

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in profit and loss.

Recoverable amount is defined as the current replacement cost of an asset less where applicable, accumulated depreciation calculated on the basis of such costs to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in normal course of business.

(i) Calculation of recoverable amount

The recoverable amount of other assets is the greater of their net selling price and value in use. In the case of a non-current asset of a not-for-profit entity, value in use means "current replacement cost" of an asset when the future economic benefits of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would if deprived of the asset, replace its remaining future economic benefits.

(ii) Reversals of impairment

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(m) Income Tax

The Association is exempt from income tax pursuant to section 50-15 of the Income Tax Assessment Act 1997.

The MTA Group Training Scheme Inc, Controlled Entity, is exempt from income tax pursuant to section 50-5 of the Income Tax Assessment Act 1997.

Notes to the consolidated financial statements (continued)

1. Significant accounting policies (continued)

(n) Employee benefits

Long-term service benefits

The Consolidated Entity's net obligation in respect of long-term service benefits, other than defined contribution plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using rates attached to Australian Corporate bonds that have maturity dates approximating to the terms of the Consolidated Entity's obligations.

Short-term service benefits

A provision is made for leave, wages and salaries and employment on costs of Payroll Tax, WorkCover and Superannuation that are expected to be settled within 12 months of the reporting date. Employment on-costs have been calculated on the basis that employees will take accumulated leave prior to retirement.

Vested entitlements are shown as current liabilities, measured at nominal wage rates.

Leave is provided for at current rates of pay plus employment on costs. The Consolidated Entity's experience is that the majority of Annual Leave is taken as accrued, and future wage increases are incorporated into the provision calculation.

No provision is made for sick leave, which although cumulative is non-vesting. However, it is vesting for apprentices in the final year of their apprenticeship. As per their employment contract, the apprentice is only entitled to a portion of sick leave upon completion of their apprenticeship.

Termination benefits are expensed when the consolidated entity can no longer withdraw the offer of these benefits and when the consolidated entity recognises costs for restructuring. If any benefits are not expected to be settled wholly within 12 months of the reporting period, then they are discounted.

(o) Provisions

A provision is recognised in the Statement of Financial Position when the Consolidated Entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(p) Trade and other payables

Liabilities are initially recognised for amounts to be paid in future for goods and services received by the Consolidated Entity at fair value and subsequently measured at amortised cost. Trade payables, are normally settled within 30 days.

(q) Interest Rate Risk

The Consolidated Entity has exposure to interest rate risk through its term deposits and also borrowings held with financial institutions and related parties. Information about the term deposits are set out in note 7 and information about the borrowings are set out in note 13.

Notes to the consolidated financial statements (continued)

1. Significant accounting policies (continued)

(r) Revenue

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to customers.

(i) Goods sold and services rendered

Revenue from the sale of goods is recognised in profit and loss at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Revenue from services rendered is recognised in profit and loss over time as the services are rendered, in proportion to the stage of completion of the transaction at reporting date.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when declared. Commissions are recognised when the Consolidated Entity has received a commission.

(ii) Rental income

Rental income from property is recognised in profit and loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

(iii) Government grants

Grant revenue is recognised in profit or loss when the Consolidated Entity satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Consolidated Entity is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

(iv) Membership Income

Membership income from members is recognised in profit and loss on a straight-line basis over the financial year.

(s) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Notes to the consolidated financial statements (continued)

1. Significant accounting policies (continued)

(t) Required Fair Work Commission Disclosures per Section 253

(i) Acquired assets

The individual entities have not acquired assets or liabilities during the financial year as a result of;

- a) an amalgamation under Part 2 of Chapter 3 of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- b) a restructure of the branches of the individual entities; or
- c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternate reporting structure for the individual entities; or
- d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued by an organisation under subsection 245(1).

(ii) Acquired assets and liabilities as a result of a business combination

- a) The individual entities have not acquired assets or liabilities during the financial year as part of a business combination.

(u) New or amended Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
2.a. Revenue from membership subscriptions				
Membership subscriptions	1,813,748	1,640,417	1,813,748	1,640,417
	<u>1,813,748</u>	<u>1,640,417</u>	<u>1,813,748</u>	<u>1,640,417</u>
Disaggregation of revenue from membership subscriptions				
<u>Revenue Recognised Over Time</u>				
Membership subscriptions	1,813,748	1,640,417	1,813,748	1,640,417
	<u>1,813,748</u>	<u>1,640,417</u>	<u>1,813,748</u>	<u>1,640,417</u>
2.b. Revenue from contracts with customers				
Commissions	65,033	34,620	65,033	34,620
Sponsorship Income	58,591	68,136	75,500	93,986
Rental Income	1,363,088	1,428,722	703,288	788,122
Sales Print and Stationery	-	440,055	-	413,229
Industrial Income	80,411	108,509	80,411	108,509
Apprentice Income	-	-	22,155,091	21,736,566
External Apprentice Training	-	-	390,752	291,556
	<u>1,567,123</u>	<u>2,080,042</u>	<u>23,470,075</u>	<u>23,466,588</u>
Disaggregation of revenue from contracts with customers				
<u>Revenue recognised over a point in time</u>				
Commissions	65,033	34,620	65,033	34,620
Sponsorship Income	58,591	68,136	75,500	93,986
Rental Income	1,363,088	1,428,722	703,288	788,122
Sales Print and Stationery	-	440,055	-	413,229
Industrial Income	80,411	108,509	80,411	108,509
Apprentice Income	-	-	22,155,091	21,736,566
External Apprentice Training	-	-	390,752	291,556
	<u>1,567,123</u>	<u>2,080,042</u>	<u>23,470,075</u>	<u>23,466,588</u>
2.c. Other operating income				
Other services	10,488	17,672	299,045	243,029
Related party salaries and on costs recharge	4,461,735	4,330,243	-	-
Related party management fees	1,569,800	1,599,600	-	-
	<u>6,042,023</u>	<u>5,947,515</u>	<u>299,045</u>	<u>243,029</u>
2.d. Grants				
Government funds	199,992	-	5,028,535	4,556,619
	<u>199,992</u>	<u>-</u>	<u>5,028,535</u>	<u>4,556,619</u>
2.e. Net finance income				
Interest income	92,235	11,338	201,012	25,452
Less related party interest ⁽¹⁾	-	(85,298)	-	-
Net Finance Income	<u>92,235</u>	<u>(73,960)</u>	<u>201,012</u>	<u>25,452</u>

⁽¹⁾ Interest is being charged at the bank rate plus 1% retrospectively to when the loan commenced on 25 July 2011.

Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
3.a. Affiliation fees				
Motor Trades Association of Australia	187,500	187,500	187,500	187,500
	<u>187,500</u>	<u>187,500</u>	<u>187,500</u>	<u>187,500</u>
3.b. Administration Expenses				
Fees/ allowances - meeting and conferences	-	-	-	-
AGM as required under rules of the organisation	-	-	-	-
Conferences and meeting expenses of members, councils, committees, panels or other bodies	31,898	18,714	31,898	18,714
	<u>31,898</u>	<u>18,714</u>	<u>31,898</u>	<u>18,714</u>
3.c. Grants or Donations				
<u>Grants</u>				
Total paid that were \$1,000 or less	-	-	-	-
Total paid that exceeded \$1,000	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Donations</u>				
Total paid that were \$1,000 or less	3,241	2,477	3,241	2,719
Total paid that exceeded \$1,000	9,495	9,045	9,495	9,045
	<u>12,736</u>	<u>11,522</u>	<u>12,736</u>	<u>11,764</u>
3.d. Employees Expenses				
<u>Holders of office</u>				
Other employee expenses	1,644	890	1,644	890
Employee expenses holders of office	<u>1,644</u>	<u>890</u>	<u>1,644</u>	<u>890</u>
<u>Employees other than office holders</u>				
Wages and Salaries	6,581,841	6,282,676	22,827,748	22,769,480
Superannuation	670,543	613,550	2,166,001	2,063,170
Leave and other entitlements	59,694	114,277	76,125	207,072
Separation and redundancies	-	5,189	-	5,189
Other employee expenses	426,065	354,127	1,188,530	943,707
Employee expenses holders of office	<u>7,738,143</u>	<u>7,369,819</u>	<u>26,258,404</u>	<u>25,988,618</u>
Total employee expenses	<u>7,739,787</u>	<u>7,370,709</u>	<u>26,260,048</u>	<u>25,989,508</u>
3.e Legal costs				
Other legal costs	25,309	116,008	29,709	127,618
	<u>25,309</u>	<u>116,008</u>	<u>29,709</u>	<u>127,618</u>
There has been no litigation expenditure and are no litigation claims				
3.f. Property Expenses				
Airconditioning	2,942	6,329	2,942	6,329
Cleaning	44,834	44,750	44,834	44,750
Fire	1,268	1,637	1,268	1,637
Landscaping	8,283	12,965	8,283	12,965
Lift	3,378	3,182	3,378	3,182
Rates and Taxes	191,580	218,174	191,580	218,174
Repairs and maintenance	43,146	68,308	43,146	68,308
Security	3,464	7,161	3,464	7,161
Property Management Fees	51,413	87,534	51,413	87,534
	<u>350,308</u>	<u>450,040</u>	<u>350,308</u>	<u>450,040</u>

Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
4. Cash				
Cash and cash equivalents	1,113,276	1,703,260	2,913,999	3,018,113
	<u>1,113,276</u>	<u>1,703,260</u>	<u>2,913,999</u>	<u>3,018,113</u>
5. Trade and other receivables				
Current				
<u>Receivables from other controlled entities</u>				
- The MTA Group Training Scheme	695,059	795,583	-	-
- Retail Motor Trading Co. Pty Ltd	-	-	-	-
Total receivables from other controlled entities	<u>695,059</u>	<u>795,583</u>	<u>-</u>	<u>-</u>
<u>Other receivables</u>				
Trade and other receivables	240,729	156,782	2,771,705	2,406,967
Prepayments	34,553	25,422	142,810	48,168
/ess Allowance for expected credit loss	-	-	(20,000)	(20,000)
Total other Receivables	<u>275,282</u>	<u>182,204</u>	<u>2,894,515</u>	<u>2,435,135</u>
Total trade and other receivables (net)	<u>970,341</u>	<u>977,787</u>	<u>2,894,515</u>	<u>2,435,135</u>
Non-current				
Loan due from controlled entity Retail Motor Trading Co. Pty Ltd	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6. Inventories				
Stationery	66	-	66	-
Safety Equipment	-	-	13,232	7,248
	<u>66</u>	<u>-</u>	<u>13,298</u>	<u>7,248</u>
7. Investments				
Current Investments				
Fixed term deposit	3,923,080	3,837,202	9,060,308	10,386,883
	<u>3,923,080</u>	<u>3,837,202</u>	<u>9,060,308</u>	<u>10,386,883</u>
<u>Details of Terms Deposits held</u>	Maturity	Amount		
<u>Motor Trade Association of SA Inc</u>		\$		
Commonwealth Bank	25-Apr-23	3,923,080		
<u>MTA Group Training Scheme Inc</u>		\$		
Commonwealth Bank	26-Apr-23	1,573,252		
Commonwealth Bank	1-Jun-23	3,563,976		
Shares in Non-Listed Investments				
MTAA Superannuation Fund Pty Limited (ACN 008 650 628)		1	1	1
		<u>1</u>	<u>1</u>	<u>1</u>

Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
8. Investment Property				
Balance at 1 April	2,385,000	5,020,000	2,385,000	5,020,000
Disposal of 46 Fullarton Road	-	(2,950,000)	-	(2,950,000)
Gain on revaluation of investment	415,000	315,000	415,000	315,000
Balance at 31 March	<u>2,800,000</u>	<u>2,385,000</u>	<u>2,800,000</u>	<u>2,385,000</u>

3 Schenker Drive Royal Park was last independently valued by Mr. T Walker B.Bus (Property) AAPI of Knight Frank Valuations at 31 March 2023 using a capitalisation of income approach using a rate of 6.25% at a "willing buyer/seller" market value of \$2,800,000. Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date, therefore recognised as Level 2 fair value in accordance with AASB 13 Fair Values Measurement.

Notes to the consolidated financial statements (continued)

9. Property, plant and equipment

	MTA					Total
	Land and buildings	Plant and equipment	Fixtures and fittings	Other	Work In Progress	
Cost						
Balance at 1 April 2021	6,247,966	3,064,496	80,252	304,506	19,545	9,716,765
Acquisitions	30,356	144,839	-	83,991	58,783	317,969
Disposals	-	(491,388)	-	(49,127)	-	(540,515)
Balance at 31 March 2022	<u>6,278,322</u>	<u>2,717,947</u>	<u>80,252</u>	<u>339,370</u>	<u>78,328</u>	<u>9,494,219</u>
Balance at 1 April 2022	6,278,322	2,717,947	80,252	339,370	78,328	9,494,219
Acquisitions	138,775	62,436	2,134	-	432,300	635,645
Transfers	-	482,960	-	-	(482,960)	-
Disposal	-	(116,506)	-	-	-	(116,506)
Balance at 31 March 2023	<u>6,417,097</u>	<u>3,146,837</u>	<u>82,386</u>	<u>339,370</u>	<u>27,668</u>	<u>10,013,358</u>
Depreciation and impairment losses						
Balance at 1 April 2021	2,369,685	2,093,544	54,836	149,544	-	4,667,609
Depreciation charge for the year	64,792	189,385	6,502	47,951	-	308,630
Disposals	-	(484,236)	-	(34,637)	-	(518,873)
Balance at 31 March 2022	<u>2,434,477</u>	<u>1,798,693</u>	<u>61,338</u>	<u>162,858</u>	<u>-</u>	<u>4,457,366</u>
Balance at 1 April 2022	2,434,477	1,798,693	61,338	162,858	-	4,457,366
Depreciation charge for the year	67,174	182,693	6,549	44,008	-	300,424
Disposal	-	(91,996)	-	-	-	(91,996)
Balance at 31 March 2023	<u>2,501,651</u>	<u>1,889,390</u>	<u>67,887</u>	<u>206,866</u>	<u>-</u>	<u>4,665,794</u>
Carrying amounts						
At 1 April 2021	3,878,281	970,952	25,416	154,962	19,545	5,049,156
At 31 March 2022	<u>3,843,845</u>	<u>919,254</u>	<u>18,914</u>	<u>176,512</u>	<u>78,328</u>	<u>5,036,853</u>
At 1 April 2022	3,843,845	919,254	18,914	176,512	78,328	5,036,853
At 31 March 2023	<u>3,915,446</u>	<u>1,257,447</u>	<u>14,499</u>	<u>132,504</u>	<u>27,668</u>	<u>5,347,564</u>

Notes to the consolidated financial statements (continued)

Property, plant and equipment (continued)

	Consolidated					Total
	Land and buildings	Plant and equipment	Fixtures and fittings	Other	Work In Progress	
Cost						
Balance at 1 April 2021	6,247,966	5,585,862	334,753	4,302,746	19,545	16,490,872
Acquisitions	30,356	744,427	80,183	500,933	73,522	1,429,421
Disposals	-	(744,753)	-	(118,425)	-	(863,178)
Balance at 31 March 2022	6,278,322	5,585,536	414,936	4,685,254	93,067	17,057,115
Balance at 1 April 2022	6,278,322	5,585,536	414,936	4,685,254	93,067	17,057,115
Acquisitions	138,775	383,331	50,743	515,599	463,199	1,551,647
Transfers	-	482,960	-	-	(482,960)	-
Disposals	-	(464,187)	-	(231,509)	-	(695,696)
Balance at 31 March 2023	6,417,097	5,987,640	465,679	4,969,344	73,306	17,913,066
Depreciation and impairment losses						
Balance at 1 April 2021	2,369,685	3,805,533	239,836	2,082,940	-	8,497,994
Depreciation charge for the year	64,792	551,950	39,739	217,211	-	873,692
Disposals	-	(726,343)	-	(86,600)	-	(812,943)
Balance at 31 March 2022	2,434,477	3,631,140	279,575	2,213,551	-	8,558,743
Balance at 1 April 2022	2,434,477	3,631,140	279,575	2,213,551	-	8,558,743
Depreciation charge for the year	67,174	554,256	45,001	289,860	-	956,291
Disposals	-	(427,357)	-	(215,675)	-	(643,032)
Balance at 31 March 2023	2,501,651	3,758,039	324,576	2,287,736	-	8,872,002
Carrying amounts						
At 1 April 2021	3,878,281	1,780,329	94,917	2,219,806	19,545	7,992,878
At 31 March 2022	3,843,845	1,954,396	135,361	2,471,703	93,067	8,498,372
At 1 April 2022	3,843,845	1,954,396	135,361	2,471,703	93,067	8,498,372
At 31 March 2023	3,915,446	2,229,601	141,103	2,681,608	73,306	9,041,064

The Association has a policy of dividing the initial value of property acquisitions and allocating one third of value to land and two thirds of value to buildings. The buildings component is then depreciated over the Board of Management assessed appropriate economic life of the buildings. This assessment takes into account the style, position and state of repair of the buildings concerned. 81-83 Greenhill Road Wayville was last independently valued by Mr. N Bell B.Bus (Property) FAPI of Knight Frank Valuations Pty Ltd at 31 March 2021 using a capitalisation of income approach using a rate of 7.00% at a "willing buyer/seller" market value of \$8,700,000. The valuation constitutes a level 2 fair value in accordance with AASB 13 Fair Value Measurement.

3 Frederick Road Royal Park was last independently valued by Mr. T Walker B.Bus (Property) AAPI of Knight Frank Valuations at 31 March 2021 using a capitalisation of income approach using a rate of 7.75% at a "willing buyer/seller" market value of \$6,950,000. The valuation constitutes a level 2 fair value in accordance with AASB 13 Fair Value Measurement.

The next independent valuation due is March 2024.

Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
10. Intangible assets				
Acquisition of Vtech contracts of training	-	-	200,000	200,000
Amortisation of goodwill	-	-	(200,000)	(200,000)
Balance at 31 March	-	-	-	-

MTA acquired the contracts of training and some fixed assets of Vtech Pty Ltd on 20th August 2018 for \$229,040 consideration paid in cash. Total goodwill acquired was \$200,000, written down to nil in the financial year ending 31 March 2020.

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
11. Trade and other payables				
Subscriptions in advance	-	-	-	-
Unearnt Revenue	-	74,913	-	74,913
Other trade payables	501,871	636,583	1,846,168	2,196,291
Consideration to employers for payroll deductions	-	-	-	-
Legal costs	-	-	-	-
Subtotal trade creditors	501,871	711,496	1,846,168	2,271,204
<u>Payable to other controlled entities</u>				
The MTA Group Training Scheme Inc.	3,266	1,179	-	-
Subtotal payables to other controlled entities	3,266	1,179	-	-
Total trade payables	505,137	712,675	1,846,168	2,271,204

12. Employee benefits

Current

Office holders

The Board of Management receive no compensation for their roles

Employee provisions - office holders	-	-	-	-
<u>Employees other than office holders</u>				
Annual Leave	466,396	428,765	1,466,284	1,406,923
Long service leave	655,657	667,539	655,657	667,539
Other	-	-	10,188	8,746
Employee provisions - other than office holders	1,122,053	1,096,304	2,132,129	2,083,208
Total Employee provisions	1,122,053	1,096,304	2,132,129	2,083,208
Current	1,056,540	1,023,521	2,066,616	2,010,425
Non-Current	65,513	72,783	65,513	72,783
Total Employee provisions	1,122,053	1,096,304	2,132,129	2,083,208

Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
13. Borrowings				
Current				
Commonwealth mortgage on 3 Schenker Drive Royal Park	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Non -Current				
Nil	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

14(a). Reconciliation of cash flows from operating activities

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
Cash and cash equivalents				
Cash on hand	1,113,276	1,703,260	2,913,999	3,018,113
Total cash & cash equivalents	<u>1,113,276</u>	<u>1,703,260</u>	<u>2,913,999</u>	<u>3,018,113</u>
Cash flows from operating activities				
Profit for the period	396,014	815,581	368,548	(39,390)
<i>Adjustments for:</i>				
(Profit)/Loss on disposal	14,909	(592,993)	(48,259)	(621,672)
(Gain)/Loss on Revaluation	(415,000)	(315,000)	(415,000)	(315,000)
Depreciation	300,424	308,630	956,291	873,692
Amortisation of Goodwill	-	-	-	-
Operating profit before changes in working capital and provisions	<u>296,347</u>	<u>216,218</u>	<u>861,580</u>	<u>(102,370)</u>
(Increase)/decrease in trade and other receivables	7,446	151,621	(459,380)	503,771
(Increase)/decrease in intangible assets	-	-	-	-
(Increase)/decrease in inventories	(66)	48,882	(6,050)	46,126
(Decrease)/increase in trade and other payables	(207,538)	24,526	(425,036)	306,704
Increase in provisions and employee benefits	25,749	114,256	48,921	62,145
Cash generated from the operations	<u>121,938</u>	<u>555,503</u>	<u>20,035</u>	<u>816,376</u>

Financing Facilities

A Line of Credit Facility of \$850,000 (2022 - \$850,000), is available to The Motor Trade Association of South Australia at 31 March 2023. At that date, \$1,000 of this facility was in use (2022 - \$1,000).

There were no non-cash financing or investing activities during the period.

Notes to the consolidated financial statements (continued)

14b. Reconciliation of cash flows from operating activities

	MTA		Consolidated	
	2023	2022	2023	2022
Cash inflows				
MTA Group Training Scheme Inc	8,006,707	7,830,664	-	-
Retail Motor Trading Co. Pty Ltd	-	-	-	-
Total Cash inflows	8,006,707	7,830,664	-	-
Cash outflows				
MTA Group Training Scheme Inc	(21,571)	(119,939)	-	-
Total Cash inflows	(21,571)	(119,939)	-	-

15. Contingencies

Estimates of the maximum amount of contingent liabilities that may become payable	506,000	500,000	2,592,000	2,554,000
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In the event of the winding up of the Motor Trade Association of Australia Limited, the Motor Trade Association of South Australia Inc. has a limited liability of \$100.

During a period of an economic downturn, it is appropriate to provide for a contingent liability which may arise for the return of apprentices and trainees from host employers and not being able to place those apprentices and trainees with alternate host employers. Should this occur and all apprentice and trainees are returned, the cost to the consolidated entity would be \$2,086,000 (2022: \$2,054,000), whilst the cost to the Association for training staff entitlements would be \$506,000 (2022: \$500,000). The likelihood of realisation of contingencies and payout is considered remote based of recent period actual payments and expectations of future periods.

16. Consolidated Entities

	Principal Activity	Country of Incorporation	Australian Business Number	Ownership Interest	
				2023	2022
Parent entity					
The Motor Trade Association of South Australia Inc.	Employer association	Australia	65 767 492 138	100%	100%
Controlled entities					
The MTA - Group Training Scheme Inc.	Group training scheme for apprentices and trainees	Australia	36 459 968 347	100%	100%
Retail Motor Trading Co. Pty Ltd	Investment	Australia	ACN 008 166 194	100%	100%

There are no significant restrictions on the Consolidated Entity to access or use the assets and settle the liabilities of the group.

Notes to the consolidated financial statements (continued)

17. Related party transactions

The Associations transactions receivable from MTA Group Training Scheme

<u>Statement of Comprehensive Income</u>	2023	2022
	\$	\$
Management Fees	1,569,800	1,599,600
Staff Salaries and on costs	4,461,735	4,330,243
Rental of 3 Frederick Road	659,800	640,600
Printing sales	-	26,826
Provision of services for governments grants	-	-
	<u>6,691,335</u>	<u>6,597,269</u>

Management fees relate to time spent by MTA staff on MTA Group Training Scheme related issues.

<u>Statement of Comprehensive Income</u>	2023	2022
	\$	\$
Interest on Loan of \$3,524,773 payable to MTA Group Training Scheme)	-	(85,298)
	<u>-</u>	<u>(85,298)</u>

<u>Statement of Financial Position</u>	2023	2022
	\$	\$
Trade and other receivables	695,059	795,583
Trade and other payables	(3,266)	(1,179)
Borrowings	-	-
	<u>691,793</u>	<u>794,404</u>

18. Key management personnel for the reporting period

The following were key management personnel of the Motor Trade Association of South Australia during the reporting period and unless otherwise indicated were key management personnel for the entire period.

Paul Unerkov Tracy Simpson Russell Smith Emma Flenley Debb Cann Samadhi Thomaz
Darrell Jacobs Jason Polgreen Jodi Ryan Kaes Cillessen Ronan O'Brien

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
<u>Short term employee benefits</u>				
Salary (including annual leave taken)	1,440,683	1,265,541	1,440,683	1,265,541
Annual leave accrued	46,334	35,320	46,334	35,320
Performance Bonus	-	-	-	-
Other major categories	-	-	-	-
Total employee provisions	<u>1,487,017</u>	<u>1,300,861</u>	<u>1,487,017</u>	<u>1,300,861</u>
<u>Post - employment benefits</u>				
Superannuation	144,837	118,521	144,837	118,521
Total post- employment benefits	<u>144,837</u>	<u>118,521</u>	<u>144,837</u>	<u>118,521</u>
<u>Other long term benefits</u>				
Long service leave	53,479	52,832	53,479	52,832
Total post- employment benefits	<u>53,479</u>	<u>52,832</u>	<u>53,479</u>	<u>52,832</u>
<u>Termination benefits</u>				
Termination	-	-	-	-
Total termination benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the consolidated financial statements (continued)

19. Remuneration to Auditors	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
Value of services to Auditors				
Financial statement audit services	27,600	23,672	46,100	40,615
Other assurance services	-	-	-	-
Tax services	-	3,228	-	3,228
Advisory Services	-	-	-	-
Total remuneration to auditors	27,600	26,900	46,100	43,843

20. Financial Risk Management Objectives and Policies

The Consolidated Entity activities expose it primarily to the financial risks in credit, liquidity and market risk.

The Consolidated Entity does not enter into or trade financial instruments, including derivative financial instruments.

The Consolidated Entity's financial assets consist mainly of cash and short term bank secured investments, available for sale assets, trade and other receivables. The Consolidated Entity's financial liabilities comprise trade and other payables. The main purpose of these financial instruments is to invest surplus member funds in order to maximise returns while not exposing the Consolidated Entity to a high level of risk.

The Board of Management has established an investment policy designed to establish controls and monitor these risks. The Consolidated Entity's Audit Committee oversees how management monitors compliance with these policies.

a. Credit Risk

(i) Exposure to credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The Consolidated Entity has established a credit policy under which new customers are analysed individually for credit worthiness before being offered standard credit terms. The Consolidated Entity's exposure is continuously monitored and limits reviewed. Trade receivables consist of a large number of members and customers spread across diverse trades within South Australia. The Consolidated entity does not have any significant credit risk exposure to any single party. The credit risk on liquid funds is mitigated by ensuring that authorised bank deposits are held with major banking institutions.

The carrying amount of the Consolidated Entity's financial assets represents the maximum credit exposure. The Consolidated Entity's maximum credit risk exposure at the reporting date was:

Credit Risk Exposure

	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
Cash and Cash Equivalents	1,113,276	1,703,260	2,913,999	3,018,113
Trade and other receivables - current	970,341	977,787	2,894,515	2,435,135
Investments - current	3,923,080	3,837,202	9,060,308	10,386,883
Investments - non current	-	-	-	-
Trade and other receivables - non current	-	-	-	-
	6,006,697	6,518,249	14,868,822	15,840,131

Notes to the consolidated financial statements (continued)

The Ageing of the Consolidated trade and other receivables at the reporting date was as follows

	MTA				Consolidated			
	2023		2022		2023		2022	
	\$ Carrying Value	\$ Provision	\$ Net Value	\$ Net Value	\$ Carrying Value	\$ Provision	\$ Net Value	\$ Net Value
Current	962,208	-	962,208	966,314	1,040,755	(20,000)	1,020,755	2,176,253
Past Due 0-30 days	233	-	233	5,502	1,667,588	-	1,667,588	195,633
Past Due 31-60 days	-	-	-	-	170,515	-	170,515	45,512
Past Due 61- 90 days	-	-	-	1,522	10,035	-	10,035	8,595
More than 90 days	7,900	-	7,900	4,449	25,622	-	25,622	9,142
	970,341	-	970,341	977,787	2,914,515	(20,000)	2,894,515	2,435,135

b. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices in particular interest rates. The Consolidated Entity manages the financial risk relating to its investments set out in accordance with its Investment Policy and is reviewed annually.

(i) Exposure to interest rate risk

At the reporting date the interest profile of the Consolidated Entity's interest bearing financial instruments was:

		MTA		Consolidated	
		2023	2022	2023	2022
		\$	\$	\$	\$
Cash and Cash Equivalents	4	1,113,276	1,703,260	2,913,999	3,018,113
Investments - current	7	3,923,080	3,837,202	9,060,308	10,386,883
Secured mortgage on 3 Schenker Drive	13	(1,000)	(1,000)	(1,000)	(1,000)
Receivables due to other controlled entities non-current	13	-	-	-	-
		5,035,356	5,539,462	11,973,307	13,403,996

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	MTA			
	Profit and Loss		Equity	
	100bp Increase	100bp Decrease	100bp Increase	100bp Decrease
31 March 2023				
Cash and Cash Equivalents	11,133	(11,133)	11,133	(11,133)
Investments - current	39,231	(39,231)	39,231	(39,231)
Receivables due to other controlled entities	-	-	-	-
Commonwealth mortgage on 3 Schenker Drive	(10)	10	(10)	10
	50,354	(50,354)	50,354	(50,354)
31 March 2022				
Cash and Cash Equivalents	17,033	(17,033)	17,033	(17,033)
Investments - current	38,372	(38,372)	38,372	(38,372)
Receivables due to other controlled entities	-	-	-	-
Commonwealth mortgage on 3 Schenker Drive	(10)	10	(10)	10
	55,395	(55,395)	55,395	(55,395)

Notes to the consolidated financial statements (continued)

	Consolidated			
	Profit and Loss		Equity	
	100bp Increase	100bp Decrease	100bp Increase	100bp Decrease
31 March 2023				
Cash and Cash Equivalents	29,140	(29,140)	29,140	(29,140)
Investments - current	90,603	(90,603)	90,603	(90,603)
Commonwealth mortgage on 3 Schenker Drive	(10)	10	(10)	10
	119,732	(119,732)	119,732	(119,732)
31 March 2022				
Cash and Cash Equivalents	30,181	(30,181)	30,181	(30,181)
Investments - current	103,869	(103,869)	103,869	(103,869)
Commonwealth mortgage on 3 Schenker Drive	(10)	10	(10)	10
	134,040	(134,040)	134,040	(134,040)

c. Liquidity Risk Liquidity Risk is the risk that the Consolidated Entity does not have sufficient resources to meet its obligations when they become due and payable, or will have to do so at excessive cost. The Consolidated Entity's policy is designed to ensure that there are sufficient funds to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Consolidated Entity's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements.

	MTA				Consolidated			
	Carrying Amount	Contractual cash flows	6 months or less	12 months or less	Carrying Amount	Contractual cash flows	6 months or less	12 months or less
	\$	\$	\$		\$	\$	\$	
31 March 2023								
Accounts payable	505,137	505,137	505,137	-	1,846,168	1,846,168	1,846,168	-
Borrowings - current	1,000	1,000	1,000	-	1,000	1,000	1,000	-
Borrowings from controlled entities - non-current	-	-	-	-	-	-	-	-
	506,137	506,137	506,137	-	1,847,168	1,847,168	1,847,168	-
31 March 2022								
Accounts payable	712,675	712,675	712,675	-	2,271,204	2,271,204	2,271,204	-
Borrowings - current	1,000	1,000	1,000	-	1,000	1,000	1,000	-
Borrowings from controlled entities - non-current	-	-	-	-	-	-	-	-
	713,675	713,675	713,675	-	2,272,204	2,272,204	2,272,204	-

Notes to the consolidated financial statements (continued)

d. Fair Values

Fair Values versus carrying amounts

The fair value of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position are as follows:

31 March 2023	MTA		Consolidated	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	\$	\$	\$	\$
Cash and Cash Equivalents	1,113,276	1,113,276	2,913,999	2,913,999
Trade and other receivables - current	970,341	970,341	2,894,515	2,894,515
Short Term Bank Secured Investments	3,923,080	3,923,080	9,060,308	9,060,308
Investments - non-current	-	-	-	-
Trade and other payables	(505,137)	(505,137)	(1,846,168)	(1,846,168)
Receivables due to other controlled entities non-current	-	-	-	-
	<u>5,501,560</u>	<u>5,501,560</u>	<u>13,022,654</u>	<u>13,022,654</u>

31 March 2022	MTA		Consolidated	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	\$	\$	\$	\$
Cash and Cash Equivalents	1,703,260	1,703,260	3,018,113	3,018,113
Trade and other receivables	977,787	977,787	2,435,135	2,435,135
Short Term Bank Secured Investments	3,837,202	3,837,202	10,386,883	10,386,883
Investment – non-current	-	-	-	-
Trade and other payables	(712,675)	(712,675)	(2,271,204)	(2,271,204)
Receivables due to other controlled entities non-current	-	-	-	-
	<u>5,805,574</u>	<u>5,805,574</u>	<u>13,568,927</u>	<u>13,568,927</u>

e. Fair value hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are carried at fair value, by fair value hierarchy. The different levels have been defined as follows:

- Level 1: quotes prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 March 2023	Date of Valuation	MTA			Consolidated		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets measured at fair value							
Cash and Cash Equivalents	31-Mar-23	1,113,276	-	-	2,913,999	-	-
Trade and other receivables - current	31-Mar-23	970,341	-	-	2,894,515	-	-
Investments - current	31-Mar-23	3,923,080	-	-	9,060,308	-	-
Investments - non-current	31-Mar-23	-	-	-	-	-	-
Investments - Property	31-Mar-23	-	2,800,000	-	-	2,800,000	-
TOTAL		<u>6,006,697</u>	<u>2,800,000</u>	<u>-</u>	<u>14,868,822</u>	<u>2,800,000</u>	<u>-</u>
Liabilities measured at Fair Value							
Trade and other payables	31-Mar-23	505,137	-	-	1,846,168	-	-
Receivables due to other controlled entities non-current	31-Mar-23	-	-	-	-	-	-
TOTAL		<u>505,137</u>	<u>-</u>	<u>-</u>	<u>1,846,168</u>	<u>-</u>	<u>-</u>

Notes to the consolidated financial statements (continued)

31 March 2022	Date of Valuation	MTA			Consolidated		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets measured at fair value							
Cash and Cash Equivalents	31-Mar-22	1,703,260	-	-	3,018,113	-	-
Trade and other receivables - current	31-Mar-22	977,787	-	-	2,435,135	-	-
Investments - current	31-Mar-22	3,837,202	-	-	10,386,883	-	-
Investments - non-current	31-Mar-22	-	-	-	-	-	-
Investments - Property	31-Mar-22	-	2,385,000	-	-	2,385,000	-
TOTAL		<u>6,518,249</u>	<u>2,385,000</u>	<u>-</u>	<u>15,840,131</u>	<u>2,385,000</u>	<u>-</u>
Liabilities measured at Fair Value							
Trade and other payables	31-Mar-22	712,675	-	-	2,271,204	-	-
Receivables due to other controlled entities non-current	31-Mar-22	-	-	-	-	-	-
TOTAL		<u>712,675</u>	<u>-</u>	<u>-</u>	<u>2,271,204</u>	<u>-</u>	<u>-</u>

Fair Values

For Financial assets and Financial liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

e. Capital risk management

The Consolidated Entity's policy is to maintain a strong capital base for its members confidence and future development of the industry and to ensure the Consolidated Entity will be able to continue as a going concern.

The Consolidated Entity is not subject to any externally imposed capital requirements.

21. Operating leases as lessor

At the end of the reporting period, the future minimum lease payments under non-cancellable operating leases are receivable as follows

	2023	2022
Less than one year	774,031	480,051
Between one and five years	1,680,924	869,648
More than five years	440,629	-
	<u>2,895,584</u>	<u>1,349,699</u>

The Association leases out a number of offices under operating leases. The leases typically run for a period of two to five years, with an option to renew the lease after that date. Lease payments are increased every year to reflect market rentals based on a fixed annual percentage increase or CPI.

Notes to the consolidated financial statements (continued)

22. Subsequent events

No other matter or circumstance has arisen since 31 March 2023 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

23. Information to be provided to members or Commissioner

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of the members is drawn to the provisions of subsections (1) to (3) of section 272 Fair Work, which reads as follows:

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

24. Association details

The principal place of business of the Association is:

81 Greenhill Road, Wayville, Adelaide, South Australia.

MTA's print and stationery department is located at its 3 Frederick Road, Royal Park, South Australia premises.

The MTA Group Training Scheme Inc. is located at 3 Frederick Road, Royal Park, South Australia.

25. Principal activities

The principal activities of the Association during the financial year were:

To protect and promote the interests of members by:-

- Providing a political voice for the retail motor industry;
- Providing an industry voice in discussion with all levels of government;
- Providing industrial award advice, advocacy and representation;
- Providing technical information and specialized industry stationery; and
- Training apprentices for the retail motor industry.

26. A Melville Memorial Fund

Funds amounting to \$3,776 are held on behalf of the A Melville Memorial Fund and invested with the Association funds as interest earning deposits.

Notes to the consolidated financial statements (continued)

27. Members of Board of Management

The names of the Members of the Association's Board of Management during the financial year, unless indicated otherwise were:

Frank Agostino	Mark McGuire
Neville Gibb	John Hitchcock
Peter Roberts	Tom Skothos (01/04/22 –29/09/22)
Clive Polley	Mark Flynn (29/09/22- 31/03/23)

The names of the members of the MTA Group Training Scheme's Board of Directors during the financial year, unless indicated otherwise were:

Frank Agostino	Mark McGuire
Neville Gibb	John Hitchcock
Peter Roberts	Tom Skothos (01/04/22 –29/09/22)
Clive Polley	Mark Flynn (29/09/22- 31/03/23)

No member of the Board of Management of the Association receives any remuneration (except travel cost reimbursement).

28. Other disclosures required

The following disclosures are made for the purposes of section 253 of the Fair Work Australia (Registered Organisations) Act 2009.

The reporting unit has not received revenue for;

- Capitation fees
- Donations
- Compulsory levies
- Wages activity
- Income recognised from volunteer services

The reporting unit has not paid expenses for;

- Capitation fees
- Compulsory levies
- Grants
- Consideration for employers for payroll deductions of membership subscriptions
- Penalties - via RO Act or the Fair Work Act 2009
- Grants

The reporting unit has not accrued expenses for;

- Separation and redundancies
- Legal costs relating to legal or litigation matters
- Payables to employers as consideration for the employers making payroll deductions of membership subscriptions.

The reporting unit does not and is not required by the rules of the organisation to have a fund or account for;

- Compulsory levies
- Voluntary contributions

Notes to the consolidated financial statements (continued)

28. Other disclosures required (continued)

The reporting unit did not have another entity administer the financial affairs of the reporting unit

The reporting unit has not made a payment to a former related party of the reporting unit

The reporting unit did not transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity.

The reporting unit has not received any other revenue from another reporting unit.

The reporting unit does not have a receivable with another reporting unit.

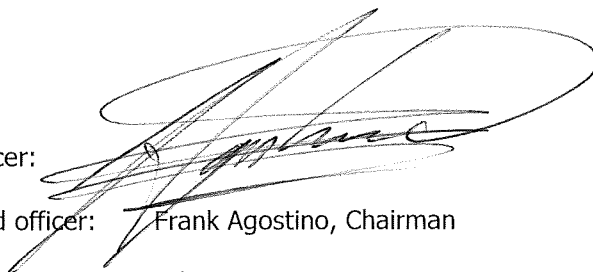
The reporting unit does not have a payable with another reporting unit.

**THE MOTOR TRADE ASSOCIATION
OF SOUTH AUSTRALIA INC.
REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 31 MARCH 2023**

The Board of Management presents the expenditure report as required under subsection 255(2A) on The Motor Trade Association of SA Inc for the year ended 31 March 2023

Categories of expenditures	MTA		Consolidated	
	2023	2022	2023	2022
	\$	\$	\$	\$
Remuneration and other employment related costs and expenses - employees	7,739,787	7,370,709	26,260,048	25,989,508
Advertising	149,400	75,827	387,620	272,768
Operating costs	1,762,435	2,114,837	4,221,295	4,509,228
Donations to political parties	9,495	9,045	9,495	9,045
Legal Costs	25,309	116,008	29,709	127,618

Signature of designated officer:



Name and title of designated officer: Frank Agostino, Chairman

Dated:

25th July 2023

**THE MOTOR TRADE ASSOCIATION
OF SOUTH AUSTRALIA INC.
BOARD OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

On 25th of July 2023 the Board of Management of the Motor Trade Association of SA Inc. passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 March 2023.

The Board of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards (AASB) adopted by the Australian Accounting Standards Board and Associations Incorporation Act 1985 (as amended);
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of, the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Board of Management were held in accordance with the rules of the organisation including the rules of the branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under Section 272 of the RO Act, that information has been provided to the member or Commissioner; and
 - (vi) where any orders for inspection of financial records have been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution passed by the Board of Management.

Signature of designated officer:

Name and title of designated officer: Frank Agostino, Chairman

Dated:

25th July 2023

**THE MOTOR TRADE ASSOCIATION
OF SOUTH AUSTRALIA INC.**


STATEMENT BY THE BOARD OF MANAGEMENT

As required by Section 35 (2) of the Associations Incorporation Act 1985 (as amended), pursuant to a resolution of the Board of Management, it is stated that:-

- [i] the accounts present fairly the results of the operations of the Association for the financial year and the state of affairs of the Association as at the end of the 2022/2023 financial year;
- [ii] the Board of Management has reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due;
- [iii] that the Association has subsidiaries as detailed in the accounts; and;
- [iv] that the Association is not a trustee of a trust.

Signed pursuant to a resolution of the Board of Management.

Frank Agostino



Clive Polley



Dated this 25th day of July 2023


**THE MOTOR TRADE ASSOCIATION
OF SOUTH AUSTRALIA INC.
REPORT BY THE BOARD OF MANAGEMENT**


As required by Section 35 (5) of the Associations Incorporation Act 1985 (as amended), pursuant to a resolution of the Board of Management, it is stated that:-

- [a] No benefit has been received as a result of a contract between an officer, firm or corporate (in which an officer or member of the association, is a member or has a substantial financial interest), and the Association.
- [b] No officer of the Association has received any payment or benefit of a pecuniary value other than as part of a negotiated remuneration package as an employee of the Association.

[c] Remuneration (including fringe benefits)	2023	2022
received or due and receivable, by	\$	\$
officers of the Association.	-	-

Signed pursuant to a resolution of the Board of Management.

Frank Agostino 

Clive Polley 

Dated this 25th day of July 2023

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Motor Trade Association of South Australia Inc (the reporting unit) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 March 2023, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, Board of Management's declaration and the subsection 255(2A) report.

In our opinion the accompanying financial report of the Group, presents fairly, in all material respects the Group's financial position as at 31 March 2023 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on Other Legal and Regulatory Requirements

In addition:

- (i) There were kept by the registered entity in relation to the year ended 31 March 2022 satisfactory accounting records, including:
- (ii) Records of the sources and nature of the income of the entity, including income from members; and
- (iii) Records of the nature and purpose of the expenditure of the entity;
- (iv) The general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*;
- (v) We have obtained all information and explanations required in accordance with section s257 of the *Fair Work (Registered Organisations) Act 2009*; and
- (vi) As part of our audit of the entity, we are of the opinion that management's use of the going concern basis of financial reporting is appropriate.



Other information

The Board member are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board for the Financial Report

The Board of the reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporation Act 1985 (as amended), the Fair Work (Registered Organisations) Act 2009 (RO Act) and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the Board 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, Board members are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

In preparing the financial report, the Board are responsible for assessing the group'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 board members either intend to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our 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 our 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.



Declaration by the auditor

I, Andrew Tickle, declare that I am an approved auditor, a member of the Chartered Accountants Australia New Zealand and hold a current Public Practice Certificate.

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit Pty Ltd

A handwritten signature in blue ink that reads 'Andrew Tickle'.

Andrew Tickle
Director

Adelaide, 03 August 2023

Registration number (as registered by the RO Commissioner under the Act): AA2021/23