



**THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INCORPORATED**

AUTOMOTIVE CENTRE OF EXCELLENCE, 3 FREDERICK ROAD, ROYAL PARK SA 5014

PO BOX 440, PORT ADELAIDE 5015  
TELEPHONE: (08) 8241 1066  
FACSIMILE: (08) 8241 1055

INTERNET: <http://www.mta-sa.asn.au>  
INDUSTRIAL FACSIMILE: (08) 8241 1062

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STATUTORY DECLARATION OF AN ASSOCIATION

THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INCORPORATED

02 JUL 25 AM 9:49

I, IAN PHILIP HORNE of 3 Frederick Road, Royal Park in the State of South Australia, Secretary DO SOLEMNLY AND SINCERELY DECLARE as follows :

1. THAT I am the Secretary of the Motor Trade Association of South Australia Incorporated (hereinafter referred to as MTA).
2. THAT the registered office of the MTA is 3 Frederick Road, Royal Park, South Australia, phone number (08) 8241 1066 and fax number (08) 8241 1055.
3. THAT the attached document titled "Annual Report" contains "Board of Management Certificate", "Statement of Income and Expenditure (for the year ending 31st March 2002)" and "Balance Sheet (as at 31st March 2002)" is a true and correct record of what it purports to be.
4. THAT the attached documents marked "Schedule A" are true and correct copies of the Minutes of the Annual General Meeting held on the 16th day of July 2002 and that I was present at this Annual General Meeting.

THAT of the 41 persons who actually signed the attendance register, 29 signed as nominated representatives for voting purposes and were members of MTA; there were no duly appointed representatives by proxy. THAT all persons were, at that time, financial members of MTA and the attached document marked "Schedule B" is a true and correct copy of the Attendance Register for the Annual General Meeting held on the 16th day of July 2002.

AND I MAKE THIS SOLEMN DECLARATION by virtue of the provisions of subsection 268(3) of the Workplace Relations Act 1996 and subject to the penalties provided by the Act for making false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.

DECLARED AND SUBSCRIBED

at Royal Park, South Australia

this 24th day of July 2002

BEFORE ME :

**D. Boldock**

A Justice of the peace in and  
for the state of South Australia

No 24328





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**MINUTES OF THE 76th ANNUAL GENERAL MEETING OF THE MOTOR TRADE ASSOCIATION  
OF SOUTH AUSTRALIA INC.  
HELD IN THE BUSBY HALL, THE NATIONAL WINE CENTRE,  
DEQUETTEVILLE TERRACE, ADELAIDE ON TUESDAY 16th JULY 2002**

**ATTENDANCE**

Forty one members and guests signed the attendance sheet. Twenty nine of the signatories were members of the Association.

**1. NOTICE OF MEETING & APOLOGIES**

The President, Colin Heavyside welcomed members to the 76th Annual General Meeting of the Association and declared the meeting open at 7.30pm. He commented on the high number of attendees at the meeting.

The President extended a special welcome to Life Members Messrs R Flashman AM, R Noack, P Robinson, R Tilbrook and I Brock; representatives from CGU/VACC who were Messrs R Pederick, S Berry, R Humphrey, M Freeman, K Cleland, B Waller & J James; Messrs B Caruso & R Golding from CGU Workers' Compensation, Chairman of the MTAA Super Fund, Mr J Rickus, State Manager of Capricorn Society Mr D Arthur, Mr C Walker, Business & Development Manager SA/NT MTAA Super and Mr B Dahlenburg Chairman of the Petroleum Products & Retail Outlets Board.

Mr Horne reported that a number of apologies were received and these would be recorded in the minutes (*72 apologies were received*).

**2. TO ADOPT THE PREVIOUS MINUTES**

It was moved Mr Weeks seconded Mr Shipp

**THAT THE MINUTES OF THE 75th ANNUAL GENERAL MEETING HELD ON 17th JULY 2001  
BE ADOPTED CARRIED...**

**3. FINANCIAL REPORTS FOR THE YEAR ENDED 31st MARCH 2002**

The Treasurer spoke to his report saying that the Association had continued its trend of a surplus budget over the past 12 months. He referred to the sale of Motorcharge which had greatly contributed to the current positive financial position of the Association. In conclusion, the Treasurer thanked the President and Board of Management for their support and asked that the Financial Report be accepted.

Moved Mr Agostino seconded Mr Kruys

**THAT THE FINANCIAL REPORT FOR THE 2001/2002 YEAR BE ACCEPTED CARRIED...**

There were no questions of the Treasurer.

**4. BOARD OF MANAGEMENT REPORT**

The President delivered the Annual Report and was pleased to report an increase in the asset base of the Association by 18% and a reduction in membership fees of 13%. Briefly referring to the sale of Motorcharge, the President extended his gratitude to Messrs Ian Horne and Richard Flashman, previous Directors of Motorcharge for their guardianship of the Association's investment in that company.

Mr Roberts expressed thanks to Mr Heavyside for his time and effort during his term as President of MTA and also as Director of the MTAA Super Fund. *Acclamation followed.*

Mr Roberts moved

**THAT THE REPORT BE RECEIVED**

seconded Mr Cox

**CARRIED...**

**5. APPOINTMENT OF AUDITORS**

The President said that KPMG had indicated they would be willing continue as auditors of the Motor Trade Association.

Moved Mr Agostino seconded Mr Shipp

**THAT KPMG BE APPOINTED AS AUDITORS AND THEIR REMUNERATION TO BE DETERMINED BY THE BOARD OF MANAGEMENT CARRIED...**

**6. TO DECLARE THE RESULTS OF THE ELECTION OF OFFICERS**

Mr Home declared the result of the election which was as follows:

President	Mr Peter Roberts
Vice President	Mr Frank Agostino
Past President	Mr Colin Heavyside
Treasurer	Mr Michael Claridge
Members' Representative	Mr Arthur Walker

**7. TO CONSIDER ANY BUSINESS SUBMITTED BY THE BOARD**

(a) to appoint a solicitor to act on behalf of the Motor Trade Association of South Australia Inc.

Moved Mr Heavyside seconded Mr S Noack

**THAT TOWNSEND SOLICITORS BE APPOINTED TO ACT AS SOLICITORS FOR THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC. CARRIED...**

**8. TO CONSIDER ANY OTHER BUSINESS (under Rule 32)**

Mr Heavyside moved that

**THAT MR ARTHUR WALKER BE NOMINATED AS A LIFE MEMBER OF THE MOTOR TRADE ASSOCIATION**

seconded Mr Agostino

**CARRIED...**

*Acclamation followed...*

Mr Heavyside advised the meeting that a formal presentation would be made to Mr Walker during the Cocktail Party.

**9. CLOSURE**

Mr Heavyside thanked members and guests for their attendance and closed the meeting at 8.00pm.

Confirmed this ..... day of ..... 2003.

---

President

**MEMBERS ONLY TO SIGN**  
**(one signature per Member Business)**

MEMBER NAME	MEMBER BUSINESS
FRANK AGOSTINO.	Automobile Retailing.
Chris & Eve Vanderwaude	River Murray Auto Wreckers
PETER & CAROLYN MORELLI	MORELLI'S ALLWELD REPAIR SERVICE
CHRIS DUTTON	CHRIS DUTTON MOTOR GROUP
Roger J Paech	PAECH MOTORS
Rebecca English	English Crash Repairs
CLAUDE MARCHESSI	SOUTHERN STOP CRASH.
Val Marchesi	Southern Stop
IAN ROGERS	WAIKERIE HONDA
MIKE CLARIDGE	CLARIDGE HOLDEN
TONY FASSINA	George Rd Crash Repairs
LIBERALE FASSINA	George Rd Crash Repairs
MAY TILBROOK	TILBROOKS BRAKE SERVICE
ROLAN TILBROOK	" " "
FRANK VAN CASTEL	POWER BRAKE SA
<del>AMELIA SOLASANTE</del>	<del>ATHELSTONE</del>
Amyor Nohmoy	Cal Off
PAUL COOKE	MTA CTS.
John Hitchcock	Active Auto Repair
THED KEAYS	SERVICE STATIONS
Jim - Sun Kerton	Strathfield Equipment
Peter Lee	SOUTHCOIT ENGINES
NICK PAPANIKOLAOU	SCANIA AUSTR.
KIM RUNDLE	WILSMORE MOTOR BODY REPAIRS
Matt East	G & J East
Alistair Walker	Gilbert Motor Repairs
R. V. KAUFER	TURIN IMPROVERS



## APOLOGIES

BUSINESS NAME	MEMBER NAME
Jarvis Ford	Richard Collins
Rosewornes of Kadina	David Rosewarne
Brian Clifford Motor Body Repairs	
Bridgewater Service Station	
Rowell & Searle Auto Trans	Peter Stewart
Auto Craft Paint & Panel	
North East Nissan	Leroy Uren
Red Prime Mechanical Repairs	
WSB Distributors	
Central Hills Paint & Panel	
Karoonda Mechanical Services P/L	
Gateway Ford	
TJM Products	
Nepean Motors	
Dynamic Turbochargers	
Watts Bros, Yumali	
Peter Page Holden	Peter Page
Copper Coast Auto Electrical	
Bob Jane Prospect	
Midnight Motors Two Wells	
Geoff Smith Motors (SA) Pty Ltd	
Toyo Service Station	
Graham Edwards Crash Repairs	
GP Motorcycles	
Farmers Centre	
Jaydee Ground Care Centre	
Riverland Farm Machinery	
Schwarz Motor Repairs	
Westside Motor Co	
Shell Parafield Gardens	
Coe's Auto Electrical	
Natrad Whyalla	Barry Pickert
Ralph's Auto Electrical	Ralph & Maria
Park Motors Pinnaroo	Gary Westphalen
Fleurieu Crash Repairs	Brenton Abbott
Tom Bonnily	Life Member
Motormate Auto Parts Reynella	
Cole Motors Crash Repairs	
Heins Sales & Service	
Gawler Auto Electrics	
Roly's Automotive Services	
City Radiators	
Jackson Auto Repairs	
Bruce Clarke Auto Repairs	
Ormerod Crash Repairs	
Sweden Salvage	
Sebastopol Machinery	
BJ's Roadhouse	
Smiths Mid North Motor Company	
Smiths Spencer Motors	
Murray Mitsubishi	
Measday's Service Pty Ltd	
Jamestown Crash Repairs	
Leon Wilksch	
Port Road Motorway	
Gawler Windscreens	
Farmers Centre Pty Ltd	
Liberty St Agnes	
Daimler Chrysler	
Roly's Automotive Services	
V & T Motors Pty Ltd	
Wilksch's Garage	
BPB Auto Repairs	
Port Adelaide Auto Repairs	

Yamaha Motors Australia Pty Ltd  
Terowie Road House  
Len Miller  
Turbo Trans  
Yamaha World  
Graeme Bignell  
Eastern Eyre Machinery  
Southside 4WD Centre

Life Member

# GUESTS TO SIGN

~~Bill~~ ~~Argentine~~  
DARREN ARTHUR

Stephen Walker  
G. W. W. W.  
M. W. W.  
W. Walker

W. W. W. - AEA  
W. W. W.  
W. W. W.

a.m. Schuman (NOWA)  
W. W. W.  
W. W. W.





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I, IAN PHILIP HORNE of 3 Frederick Road, Royal Park in the State of South Australia, Secretary DO SOLEMNLY AND SINCERELY DECLARE as follows :

1. THAT I am the Secretary of the Motor Trade Association of South Australia Incorporated (hereinafter referred to as MTA).
2. THAT the registered office of the MTA is 3 Frederick Road, Royal Park, South Australia, phone number (08) 8241 1066 and fax number (08) 8241 1055.
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4. THAT the attached documents marked "Schedule A" are true and correct copies of the Minutes of the Annual General Meeting held on the 16th day of July 2002 and that I was present at this Annual General Meeting.

THAT of the 41 persons who actually signed the attendance register, 29 signed as nominated representatives for voting purposes and were members of MTA; there were no duly appointed representatives by proxy. THAT all persons were, at that time, financial members of MTA and the attached document marked "Schedule B" is a true and correct copy of the Attendance Register for the Annual General Meeting held on the 16th day of July 2002.

AND I MAKE THIS SOLEMN DECLARATION by virtue of the provisions of subsection 268(3) of the Workplace Relations Act 1996 and subject to the penalties provided by the Act for making false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.

DECLARED AND SUBSCRIBED

at Royal Park, South Australia

this 24th day of July 2002

BEFORE ME :

**D. Boldock**  
A Justice of the peace in and  
for the state of South Australia

No 24328





***The Motor Trade Association of SA Inc***

**THE  
FINANCIAL  
REPORT  
OF  
2002**



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

### Scope

We have audited the financial report of The Motor Trade Association of South Australia Inc. ("the Association") for the year ended 31 March 2002, consisting of the statements of financial performance, statements of financial position, statements of cash flows, accompanying notes 1 to 24, and the statement by committee members set out on pages 1 to 26. The Association's committee members are responsible for the financial report. The financial report includes the consolidated financial statements of the consolidated entity, comprising the Association and its controlled entity. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the Association's and the consolidated entity's financial position and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

### Audit Opinion

In our opinion, the financial report of The Motor Trade Association of South Australia Inc. are properly drawn up:

- (a) so as to present fairly the Association's and consolidated entity's financial position as at 31 March 2002 and their performance for the year ended on that date;
- (b) in accordance with the Associations Incorporation Act;
- (c) in accordance with Accounting Standards and other mandatory professional reporting requirements; and
- (d) so as to give a true and fair view of the financial affairs of the Association and the economic entity as at 31 March 2002 and the income and expenditure, and any surplus or deficit for the year in accordance with the Workplace Relations Act 1996.

In addition we report the following:

- (e) the Association maintained satisfactory accounting records during the year ended 31 March 2002 detailing the sources and nature of income (including income from members) and the purpose and nature of expenditure of the Association; and
- (f) we received all the information and explanations we required for the purposes of our audit.

KPMG

KPMG

  
G Savage  
Partner

Adelaide 23 May 2002



**THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2002**

	Note	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
<b>REVENUE FROM ORDINARY ACTIVITIES</b>					
<b>Operating Activities</b>	2				
Membership Contributions & Entrance Fees		1,057,857	1,088,351	1,082,283	1,114,781
Motorcharge Fees		65,000	61,143	65,000	61,143
Commissions Received		243,651	298,936	243,651	298,936
Grant Income		-	164,910	-	164,910
Motor Industry Member Functions		16,775	22,313	16,775	22,313
Rents Received		225,366	180,873	225,366	180,873
Sales - Printing & Stationery	1n	341,683	407,262	341,683	407,262
Sundry Income		124,599	117,681	124,599	117,681
		<u>2,074,931</u>	<u>2,341,469</u>	<u>2,099,357</u>	<u>2,367,899</u>
<b>Non-operating Activities</b>					
Interest Earned		138,631	101,832	138,738	102,028
Dividends Received		184,853	62,913	184,853	62,913
Proceeds on disposal of investments		21,752	-	21,752	-
Proceeds on disposal of plant & equipment		1,625	13,400	1,625	13,400
		<u>346,861</u>	<u>178,145</u>	<u>346,968</u>	<u>178,341</u>
Significant Item - Proceeds on disposal of Motorcharge Ltd Shares		4,886,259	-	4,886,259	-
<b>TOTAL ORDINARY ACTIVITIES REVENUE</b>		<u>7,308,051</u>	<u>2,519,614</u>	<u>7,332,584</u>	<u>2,546,240</u>
Less:					
<b>ORDINARY ACTIVITIES EXPENSES</b>		<u>4,415,658</u>	<u>2,270,843</u>	<u>4,435,329</u>	<u>2,293,250</u>
<b>NET PROFIT FROM ORDINARY ACTIVITIES</b>	12	<u>2,892,393</u>	<u>248,771</u>	<u>2,897,255</u>	<u>252,990</u>
Transfer from Asset Revaluation Reserve	12	4,360,267	-	4,360,267	-
<b>TOTAL CHANGES IN EQUITY OF THE ASSOCIATION</b>		<u>7,252,660</u>	<u>248,771</u>	<u>7,257,522</u>	<u>252,990</u>

The accompanying notes form part of this financial report as set out on pages 5 to 22.

**THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002**

	Note	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
<b>ORDINARY ACTIVITIES EXPENSES</b>					
Administration Fees		314,302	317,273	332,203	336,993
Advertising & Promotion		70,116	124,100	70,116	124,100
Affiliation Fees		133,339	143,788	133,339	143,788
Annual Leave Provision		51,048	50,332	51,048	50,332
Audit Fees		13,000	15,275	13,000	15,275
Conferences & Seminars		8,059	5,233	8,059	5,233
Cost of Sales - Printing & Stationery	1n	181,811	214,778	181,811	214,778
Depreciation		161,976	158,137	161,976	158,137
Donations		2,259	1,260	2,259	1,260
Grant Expenses		-	48,642	-	48,642
Insurance - Other		33,119	21,605	33,119	21,605
Insurance - Workcover		6,928	8,129	6,928	8,129
Interest Expenses		2,417	3,024	2,417	3,024
Lease Expense		11,246	11,246	11,246	11,246
Legal Expenses		29,983	3,685	30,183	4,705
Long Service Leave - Provision		21,270	16,027	21,270	16,027
Membership Services		34,720	25,778	34,720	25,778
Motor Trade Journal		17,173	19,949	17,173	19,949
Motor Vehicle Expenses		25,027	22,386	25,027	22,386
Payroll Tax		32,863	28,828	32,863	28,828
Property Expenses		80,465	67,067	80,465	67,067
Salaries - Officials		158,211	93,680	158,211	93,680
Salaries - Others		631,239	625,609	631,239	625,609
Superannuation		133,465	125,878	133,465	125,878
Telephone, Telex & Facsimile		54,567	50,816	56,137	52,483
Travel & Accommodation		53,365	55,060	53,365	55,060
Write Down of recoverable value of shares		27,550	2,575	27,550	2,575
Cost on disposal of investments		-	-	-	-
Written Down Value, on disposal of plant & equipment		834	10,683	834	10,683
Sub total Ordinary Activities		2,290,352	2,270,843	2,310,023	2,293,250
Significant Item		2,125,306	-	2,125,306	-
- Cost of Motorcharge Ltd Shares Sold					
<b>TOTAL ORDINARY ACTIVITIES EXPENSES</b>		<b>4,415,658</b>	<b>2,270,843</b>	<b>4,435,329</b>	<b>2,293,250</b>

The accompanying notes form part of this financial report as set out on pages 5 to 22.

**THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT THE YEAR ENDED 31<sup>st</sup> MARCH 2002**

	Note	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
<b>CURRENT ASSETS</b>					
Cash assets		760	760	760	760
Receivables	3	192,942	101,432	195,670	103,719
Investments	4	5,843,079	2,027,441	5,864,305	2,044,962
Inventories	5	49,251	61,267	49,251	61,267
Prepayments	6	35,133	45,139	35,133	45,139
<b>TOTAL CURRENT ASSETS</b>		<b>6,121,165</b>	<b>2,236,039</b>	<b>6,145,119</b>	<b>2,255,847</b>
<b>NON-CURRENT ASSETS</b>					
Debenture Stock	7	-	4,000	-	4,000
Publicly Listed Investments	7	64,600	92,150	64,600	92,150
Shares in Non-Listed Investments	7	1	1,003,467	1	1,003,467
Units in MTAA House Unit Trust	7	668,000	668,000	668,000	668,000
Property, plant and equipment	8	1,922,077	1,982,596	1,922,077	1,982,596
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,654,678</b>	<b>3,750,213</b>	<b>2,654,678</b>	<b>3,750,213</b>
<b>TOTAL ASSETS</b>		<b>8,775,843</b>	<b>5,986,252</b>	<b>8,799,797</b>	<b>6,006,060</b>
<b>CURRENT LIABILITIES</b>					
Amounts Held on Behalf of Divisions		146,966	135,095	146,966	135,095
Subscriptions in Advance		343,510	409,607	346,762	414,261
Payables	9	132,707	189,023	133,394	189,023
Interest bearing liabilities	10	7,969	7,305	7,969	7,305
Provisions	11	195,043	188,166	195,043	188,166
<b>TOTAL CURRENT LIABILITIES</b>		<b>826,196</b>	<b>929,196</b>	<b>830,134</b>	<b>933,850</b>
<b>NON-CURRENT LIABILITIES</b>					
Interest bearing liabilities	10	15,636	23,605	15,636	23,605
Provisions	11	36,544	28,377	36,544	28,377
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>52,180</b>	<b>51,982</b>	<b>52,180</b>	<b>51,982</b>
<b>TOTAL LIABILITIES</b>		<b>878,376</b>	<b>981,178</b>	<b>882,314</b>	<b>985,832</b>
<b>NET ASSETS</b>		<b>7,897,467</b>	<b>5,005,074</b>	<b>7,917,483</b>	<b>5,020,228</b>
<b>ACCUMULATED MEMBER FUNDS</b>					
Accumulated Surplus/(Deficit)	12	7,226,412	(26,248)	7,246,428	(11,094)
Reserves	12	671,055	5,031,322	671,055	5,031,322
<b>TOTAL MEMBER FUNDS</b>	12	<b>7,897,467</b>	<b>5,005,074</b>	<b>7,917,483</b>	<b>5,020,228</b>

The accompanying notes form part of this financial report as set out on pages 5 to 22.

THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2002

	Note	MTA of SA 2002	MTA of SA 2001	Consolidated 2002	Consolidated 2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Customer Receipts		2,501,684	2,324,353	2,525,775	2,349,896
Payments to suppliers and employees		(2,689,313)	(2,117,826)	(2,709,806)	(2,209,941)
Interest received		138,631	101,942	138,738	102,137
Interest paid		(2,417)	(3,024)	(2,417)	(3,024)
Dividends Received		184,853	62,913	184,853	62,913
Net cash provided by operating activities	18b	133,438	298,358	137,143	301,981
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment purchases		(1,121,840)	5,439	(1,121,840)	5,439
Proceeds on sale of investments		4,912,011	-	4,912,011	-
Fixed asset purchases		(102,291)	(199,536)	(102,291)	(199,536)
Proceeds on sale of fixed assets		1,625	13,400	1,625	13,400
Net cash provided by/ (used) in investing activities		3,689,505	(180,697)	3,689,505	(180,697)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Repayment of borrowings		(7,305)	(6,696)	(7,305)	(6,696)
Net cash used in financing activities		(7,305)	(6,696)	(7,305)	(6,696)
Net increase in cash held		3,815,638	110,965	3,819,343	114,588
Cash at the beginning of the financial year		2,028,201	1,917,236	2,045,722	1,931,134
Cash at the end of the financial year	18a	5,843,839	2,028,201	5,865,065	2,045,722

The accompanying notes form part of this financial report as set out on pages 5 to 22.

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the Associations Incorporations Act - South Australia and the provisions of the Workplace Relations Act 1996, and the requirements of the law.

The financial report covers the Motor Trade Association of South Australia Incorporated (the Association) and controlled entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Previously the Association prepared special purpose reports. No newly adopted Standards have significantly changed any values reported in the accounts on either an historical or current year basis.

Some line item sub-totals reported in the previous financial year have been reclassified and repositioned in the financial report as a result of the first time application on the 1<sup>st</sup> April 2001, of the revised standards AAS 1 Statement of Financial Performance, AAS 36 Statement of Financial Position and AAS 37 Financial Reporting Presentation and Disclosure. Adoption of these standards has resulted in the transfer of the reconciliation of opening and closing retained profits from the face of the Statement of Financial Performance to Note 12.

In the preparation of the financial report, the Association has applied revised AAS 38 'Revaluation of Non-current Assets' for the first time from 1st April 2001.

### a. Income Tax

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

For the controlled entity, tax effect accounting is applied using the liability method. The income tax expense is calculated on the accounting profit after adjusting for permanent differences (if any).

Future income tax benefits in the controlled entity are not recognised as an asset unless realisation of the benefit is virtually certain.

### b. Inventories

Inventories consist of Printing and Stationery Department raw and finished products and are measured at the lower of cost and net realisable value. Cost is an average cost. Net realisable value is determined on the basis of normal selling pattern.



NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

c. **Property, Plant and Equipment**

Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

**Plant and Equipment**

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

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

**Revaluations**

The Association complies with the definition of a not-for-profit entity under Australian Accounting Standard AAS10, Accounting for the Recoverable Amount of Non-Current Assets. Therefore, a policy has been adopted of not revaluing Land and Buildings, where the service value of those assets does not relate to their ability to generate net cash inflows.

All other items of property, plant & equipment and vehicles are carried at the lower of cost, less accumulated depreciation, and recoverable amount.

**Depreciation**

The depreciable amount of all fixed assets are depreciated over the estimated economic life of the asset to the association 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 estimated useful lives of the improvements.

Plant and equipment are depreciated from the date of acquisition and where they have been revalued, depreciation is charged on the adjusted amount. The reducing value method is used.

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

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:

<u>Asset Class</u>	<u>Depreciation Rate</u>
Plant & Equipment	10 to 30%
Furniture & Fittings	11 to 30%
Motor Vehicles	22.5%
Buildings & Improvements	4%

The carrying amount of fixed assets is reviewed annually by directors to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining the recoverable amounts.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

d. **Leases**

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

e. **Investments**

The Association has applied AAS 38 Revaluation of Non Current Assets for the first time from 1 April 2001. The standard requires each class of non-current asset to be measured on either the cost or fair value basis. The Association has adopted the cost basis for measurement of non-current investments with the carrying value at 1 April 2001 being the deemed cost.

The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

Investments are designed to act as an inflationary hedge and return an income stream via dividends or interest to the Association.

Investments are classified into four classes as disclosed in the notes to the accounts.

f. **Employee Entitlements**

Provision is made for Annual and Long Service Leave and employment on costs of Payroll Tax, WorkCover and Superannuation. 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. Non-vested Long Service Leave is measured as the present value, of the estimated future cash outflows, discounted by the interest rates applicable, to appropriate government guaranteed securities.

No provision is made for Sick Leave, which although cumulative is non-vesting. The Association's experience is that traditionally, sick leave paid in a year does not exceed the benefit accumulated in a year.

Contributions are made by the association to accumulation style employee superannuation funds and are charged as expenses when incurred.

g. **Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

h. **Revenue**

Revenue from the sale of goods and services is recognised upon the delivery of goods or services to customers.

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

Dividend revenue is recognised when the association has received a dividend.

All revenue is stated net of the amount of goods and services tax (GST).

Liabilities are recognised for amounts to be paid in future for goods and services received by the Association. Trade accounts payable, are normally settled within 30 days.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

i. **Accounts Receivable**

Accounts receivable (excluding subscriptions), to be settled within 30 days are carried at amounts due. A provision is made for any doubtful debts based on a review of collect-ability of the outstanding amounts at balance date. Bad debts are written off when they are identified.

j. **Accounts Payable**

Liabilities are recognised for amounts to be paid in future for goods and services received by the Association. Trade accounts payable, are normally settled within 30 days.

k. **Interest Rate Risk**

The Association has exposure to interest rate risk through its bank borrowing facilities and hire purchase arrangement. Information about the borrowings is set out in notes 18(c) and 19. The Association also has an exposure to interest rate risk through its cash investments.

l. **Credit Risk**

The credit risk on financial assets of the Association which have been recognised on the balance sheet, is the carrying amount of any net provisions for doubtful debts. The Association is not materially exposed to any individual debtor.

m. **Goods & Services Tax (GST)**

Revenues, 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 an item 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. Cashflows are included in the Statement of Cashflows 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.

**Printing & Stationery Department Disclosures**

- n. Sales Printing & Stationery are now disclosed as Gross Sales, not as sales net of direct material costs as in previous years. Direct cost of sales is disclosed in the expenses section.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

o. Principles of Consolidation

The consolidated accounts of the economic entity include the financial statements of the Association, being the chief entity, and its controlled entity.

Where an entity either began or ceased to be controlled during the year, the results are included only from the date control commenced or up to the date control ceased.

The balances, and effects of transactions, between controlled entities included in the consolidated accounts have been eliminated.

Controlled Entity

Financial Year End

Retail Motor Trading Co. Pty Ltd  
(ACN 008 166 194)

30<sup>th</sup> June

NOTE 2: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities has been determined after:

a. Expenses:

	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
Depreciation of plant and equipment	101,047	101,731	101,047	101,731
Depreciation of property	60,929	56,406	60,929	56,406
<b>Total Depreciation</b>	<b>161,976</b>	<b>158,137</b>	<b>161,976</b>	<b>158,137</b>

Remuneration of auditor

— audit or review services	13,000	15,275	13,000	15,275
— other services	1,000	-	1,000	-
<b>Total remuneration</b>	<b>14,000</b>	<b>15,275</b>	<b>14,000</b>	<b>15,275</b>

Rental expense on operating leases

— minimum lease payments	11,246	11,246	11,246	11,246
<b>Total</b>	<b>11,246</b>	<b>11,246</b>	<b>11,246</b>	<b>11,246</b>

b. Significant revenues and expenses:

The following revenue and expense items are relevant in explaining the financial performance:

Sale of investment in Motorcharge Ltd.	4,886,259	-	4,886,259	-
Cost of investment in Motorcharge Ltd.	2,125,306	-	2,125,306	-
<b>Gross Profit on Sale</b>	<b>2,760,953</b>	<b>-</b>	<b>2,760,953</b>	<b>-</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

	MTA of SA 2002	MTA of SA 2001	Consolidated 2002	Consolidated 2001
NOTE 3: RECEIVABLES	\$	\$	\$	\$
Accounts Receivable	71,923	48,716	74,651	51,003
Less: Provision for Doubtful Debts	(10,000)	(10,000)	(10,000)	(10,000)
Receipts Outstanding - Over-Riding Commission	35,000	50,268	35,000	50,268
Other Debtors	96,019	12,448	96,019	12,448
	<u>192,942</u>	<u>101,432</u>	<u>195,670</u>	<u>103,719</u>

	MTA of SA 2002	MTA of SA 2001	Consolidated 2002	Consolidated 2001
NOTE 4: INVESTMENTS CURRENT	\$	\$	\$	\$
Deposits at Call	5,843,079	2,027,441	5,864,305	2,044,962

	MTA of SA 2002	MTA of SA 2001	Consolidated 2002	Consolidated 2001
NOTE 5: INVENTORIES CURRENT	\$	\$	\$	\$
Stationery	41,889	49,128	41,889	49,128
Printing	7,362	12,139	7,362	12,139
	<u>49,251</u>	<u>61,267</u>	<u>49,251</u>	<u>61,267</u>

	MTA of SA 2002	MTA of SA 2001	Consolidated 2002	Consolidated 2001
NOTE 6: OTHER ASSETS	\$	\$	\$	\$
Prepayments	35,133	45,139	35,133	45,139

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

	Note	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
<b>NOTE 7: INVESTMENTS</b>					
<b>Debentures</b>					
Debenture previously held on behalf of A Melville Memorial Fund in Australian Guarantee Corp. matured February 2002. Funds now invested at higher interest in MTA bank account.					
A Melville Memorial Fund		-	4,000	-	4,000
Publicly Listed Investments	7(a)	64,600	92,150	64,600	92,150
<b>Shares in Non-Listed Investments</b>					
MTAA Superannuation Fund Pty Limited (ACN 008 650 628)		1	1	1	1
Motorcharge Ltd. (ACN 008 962 132)	7(b)	-	1,003,466	-	1,003,466
Motor Trade Services Ltd.		-	-	-	-
Retail Motor Trading Co. Pty Ltd (ACN 008 166 194)		-	-	-	-
VACSA Pty Ltd (ACN 081 109 220)	7(c)	-	-	-	-
		1	1,003,467	1	1,003,467
Units in MTAA House Unit Trust	7(d)	668,000	668,000	668,000	668,000
<b>TOTAL INVESTMENTS</b>		<b>732,601</b>	<b>1,767,617</b>	<b>732,601</b>	<b>1,767,617</b>

7(a) The Market Value of Publicly Listed Investments as at 31st March, 2002 was \$64,600, (2001 \$92,150) a write down of recoverable value of shares of \$27,550.

7(b) Motorcharge Ltd. (ACN 008 962 132) shares were re-valued by the directors, based on last sale price of the shares, to \$6.38 per share as at 31st March 1997. Shares acquired since that date are stated at cost. The investment was sold in its entirety during the year.

7(c) VACSA Pty Ltd (ACN 081 109 220) was a joint venture between MTA and VACC, the joint venture company was de-registered during the year.

7(d) The Association holds 12.7% (twelve point seven percent) of the issued units in the MTAA House Unit Trust. This investment's value is dependent on the market value of the major asset of the Trust, being MTAA House situated on Brisbane Avenue, Canberra. The investment was re-valued as at the 31st March 1997, by the Board on the basis of the entitlement to net assets of the Trust per accounts dated 30th June 1996, which included a revaluation of the building by McCann & Associates. This carrying value forms the basis for the deemed cost adopted at 1<sup>st</sup> April 2001, when AAS 38 Revaluation of Non Current Assets was first applied. Any units acquired since that date are stated at cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
NOTE 8:				
PROPERTY, PLANT AND EQUIPMENT				
Furniture & Fittings – at cost	152,662	150,852	152,662	150,852
Less: accumulated depreciation	(123,983)	(114,953)	(123,983)	(114,953)
	<u>28,679</u>	<u>35,899</u>	<u>28,679</u>	<u>35,899</u>
Plant & Equipment – at cost	628,680	655,224	628,680	655,224
Less: accumulated depreciation	(408,944)	(463,978)	(408,944)	(463,978)
	<u>219,736</u>	<u>191,246</u>	<u>219,736</u>	<u>191,246</u>
Motor Vehicles – at cost	185,843	185,843	185,843	185,843
Less: accumulated depreciation	(79,159)	(48,186)	(79,159)	(48,186)
	<u>106,684</u>	<u>137,657</u>	<u>106,684</u>	<u>137,657</u>
Land & Buildings				
Land (at deemed cost)				
3 Frederick Road, Royal Park	860,000	860,000	860,000	860,000
Buildings (at deemed cost)				
3 Frederick Road, Royal Park	952,035	941,921	952,035	941,921
Less: accumulated depreciation	(245,057)	(184,127)	(245,057)	(184,127)
	<u>1,566,978</u>	<u>1,617,794</u>	<u>1,566,978</u>	<u>1,617,794</u>
Total Property, Plant & Equipment	<u>1,922,077</u>	<u>1,982,596</u>	<u>1,922,077</u>	<u>1,982,596</u>

Our 3 Frederick Road, Royal Park property was re-valued in the 1997 accounts to market value, valuation by Mr. J L Morgan B. App. Sc. (Val), FVLE. This carrying value forms the basis for the deemed cost adopted at 1<sup>st</sup> April 2001, when AAS 38 Revaluation of Non Current Assets was first applied. The carrying value of the property includes the cost of any buildings acquired since that date.

Our 3 Frederick Road, Royal Park property was valued by Mr. A Smithson B. App. Sc. (Val), FAPI on 25 April, 2002. At the value to an owner occupier of \$3,225,000.

Note 8: PROPERTY, PLANT AND EQUIPMENT (cont.)

Movements in carrying amounts.

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Furniture & Fittings \$	Plant & Equipment \$	Motor Vehicles \$
Balance at the beginning of year	35,899	191,246	137,657
Additions	1,808	90,370	-
Depreciation expense	(9,028)	(61,046)	(30,973)
Transfers between assets	-	-	-
Write-offs/disposals at WDV	-	(834)	-
Carrying amount at the end of year	<u>28,679</u>	<u>219,736</u>	<u>106,684</u>

	Buildings Royal Park \$	Land Royal Park	Total \$
Balance at the beginning of year	757,794	860,000	1,982,596
Additions	10,113	-	102,291
Depreciation expense	(60,929)	-	(161,976)
Transfers between assets	-	-	-
Write-offs/disposals at WDV	-	-	(834)
Carrying amount at the end of year	<u>706,978</u>	<u>860,000</u>	<u>1,922,077</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
<b>NOTE 9: PAYABLES</b>				
Current				
Trade creditors	32,531	42,799	33,217	42,799
Accruals	91,739	142,908	91,740	142,908
Unearned - Income	8,437	3,316	8,437	3,316
	<u>132,707</u>	<u>189,023</u>	<u>133,394</u>	<u>189,023</u>

	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
<b>NOTE 10: INTEREST BEARING LIABILITIES</b>				
Current				
Hire Purchase Contract	7,969	7,305	7,969	7,305
Non-current				
Hire Purchase Contract	15,636	23,605	15,636	23,605

	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
<b>NOTE 11: PROVISIONS</b>				
Provision for employee entitlements				
Current				
Annual Leave	82,676	78,151	82,676	78,151
Long Service Leave	112,367	110,015	112,367	110,015
	<u>195,043</u>	<u>188,166</u>	<u>195,043</u>	<u>188,166</u>
Non-Current				
Long Service Leave	36,544	28,377	36,544	28,377
	<u>36,544</u>	<u>28,377</u>	<u>36,544</u>	<u>28,377</u>

Number of employees at year end	19	20	19	20
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

Note	MTA of SA 2002	MTA of SA 2001	Consolidated 2002	Consolidated 2001
<b>NOTE 12: ACCUMULATED MEMBER FUNDS</b>				
12(a)				
Accumulated Surplus/(Deficit):				
Balance - Beginning of Year	(26,248)	(275,019)	(11,094)	(264,084)
Surplus/(Deficit) for the Year	2,892,393	248,771	2,897,255	252,990
Transferred from Reserves	4,360,267	-	4,360,267	-
Balance - End of Year	7,226,412	(26,248)	7,246,428	(11,094)
12(b)				
Asset Realisation Reserve:				
Balance - Beginning of Year	3,612,136	3,612,136	3,612,136	3,612,136
Transferred to Accumulated Surplus/(Deficit)	3,612,136	-	3,612,136	-
Balance - End of Year	-	3,612,136	-	3,612,136
Asset Revaluation Reserve:				
Balance - Beginning of Year	725,265	725,265	725,265	725,265
Transferred to Accumulated Surplus/(Deficit)	569,210	-	569,210	-
Balance - End of Year	156,055	725,265	156,055	725,265
Revaluation Reserve - MTAA House Unit Trust:				
Balance - Beginning of Year	515,000	515,000	515,000	515,000
Balance - End of Year	515,000	515,000	515,000	515,000
Absorption of Unexpended Levy Funds:				
Balance - Beginning of Year	178,921	178,921	178,921	178,921
Transferred to Accumulated Surplus/(Deficit)	178,921	-	178,921	-
Balance - End of Year	-	178,921	-	178,921
Balance - End of Year Reserves	671,055	5,031,322	671,055	5,031,322
<b>TOTAL MEMBERS' FUNDS</b>	<b>7,897,467</b>	<b>5,005,074</b>	<b>7,917,483</b>	<b>5,020,228</b>

The asset revaluation reserves have been transferred to retained profits, due to the assets the balances related to, having being previously disposed of.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

NOTE 13: CAPITAL AND LEASING COMMITMENTS	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
a. Operating Lease Commitments				
Being for rent of motor vehicle				
Payable:				
— not later than 1 year	3,748	11,246	3,748	11,246
— later than 1 year but not later than 5 years	-	3,748	-	3,748
— later than 5 years	-	-	-	-
	3,748	14,994	3,748	14,994

Motor vehicle leased on a non-cancellable operating lease from Orix Australia Corporation Ltd.

b. Capital Commitments

Capital commitments contracted for:

Plant and equipment purchases	-	-	-	-
	-	-	-	-

c. Superannuation Commitments

The association contributes to an employee superannuation fund managed by external fund managers, which is an accumulation plan. Members of this fund are entitled to benefits on retirement, disability or death. Employees may contribute to the plan at various percentages of their gross salaries. The association is under no legal obligation to make up any shortfall in the funds' assets to meet payments due to employees.

d. Other Commitments

No other commitments of a material nature, other than an advertising promotion at the Adelaide Motor Show for \$18,000, existed at year end.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

	MTA of SA 2002	MTA of SA 2001	Consolidated 2002	Consolidated 2001
	\$	\$	\$	\$
<b>NOTE 14: CONTINGENT LIABILITIES</b>				
Estimates of the maximum amount of contingent liabilities that may become payable:	50,000	500,000	50,000	500,000

2002

This item represents a potential liability which may arise over the next two years due to shareholder undertakings re the sale of Motorcharge Ltd. This potential liability is fully secured by funds held in a solicitors trust account, which is on deposit with Westpac Banking Corporation Ltd.

2001

An amount of \$500,000 was lent on a commercial basis to Motorcharge Ltd. The loan could be repaid to MTA by agreement of Motorcharge's bankers. The loan was secured, ranking in preference behind Motorcharge's bank borrowings.. The loan was repaid in full during the year.

**NOTE 15: EVENTS SUBSEQUENT TO REPORTING DATE**

There have been no significant events to report.

**NOTE 16: RELATED PARTIES**

Interest in Contracts

The association rents premises and provides management consulting and administrative support services to the MTA Group Training Scheme Inc.

	MTA of SA 2002	MTA of SA 2001	Consolidated 2002	Consolidated 2001
	\$	\$	\$	\$
Premises Rental	192,000	153,500	192,000	153,500
Management, accounting and administrative support	75,000	9,970	75,000	9,970
	<u>267,000</u>	<u>163,470</u>	<u>267,000</u>	<u>163,470</u>

Officers & Directors Remuneration

Remuneration (including fringe benefits) received or due and receivable, by officers and directors of the association.

	232,691	197,785	232,691	197,785
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

Note 17

INDUSTRY SEGMENTS	Motor Trade Membership		Roadside Memberships		Investments		Property		Printing & Stationery Services		Other		Eliminations		Total	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
Operating Revenue	\$000		\$000		\$000		\$000		\$000		\$000				\$000	\$000
Sales to customers outside the group	1,318	1,410	24	26	5,297	226	225	181	342	407	125	283	-	-	7,331	2,533
Intersegment sales															-	-
Unallocated Revenue															2	13
Total revenue <sup>1</sup>															<u>7,333</u>	<u>2,546</u>
Segment result	(528)	(419)	5	4	3,172	226	75	64	47	82	125	283	-	-	2,896	240
Unallocated expenses															2	13
Group operating profit (before equity accounting)															<u>2,898</u>	<u>253</u>
Segment assets	502	478	24	20	6,573	3,793	1,567	1,618	134	97	-	-	-	-	8,800	6,006
Unallocated assets															-	-
Total assets															<u>8,800</u>	<u>6,006</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2002

NOTE 18: CASH FLOW INFORMATION	MTA of SA 2002 \$	MTA of SA 2001 \$	Consolidated 2002 \$	Consolidated 2001 \$
<b>a. Reconciliation of Cash</b>				
Cash on hand	760	760	760	760
Deposits at Call – Investments Current	5,843,079	2,027,441	5,864,305	2,044,962
	<u>5,843,839</u>	<u>2,028,201</u>	<u>5,865,065</u>	<u>2,045,722</u>
<b>b. Reconciliation of net cash provided by operating activities to profit from ordinary activities</b>				
Profit from ordinary activities after income tax	2,892,393	248,771	2,897,255	252,990
Non-cash flows in profit from ordinary activities:				
Depreciation	161,976	158,137	161,976	158,137
Net loss/(Gain) on disposal of plant, equipment and investments	(2,783,496)	(2,717)	(2,783,496)	(2,717)
Recoverable Amount Decrement on Listed Investments	27,550	2,575	27,550	2,575
Changes in assets and liabilities:				
Decrease/ (Increase) in receivables	(23,207)	46,321	(23,648)	46,540
Decrease/ (Increase) in stock	12,016	(6,239)	12,016	(6,239)
Decrease/ (Increase) in other assets	(58,297)	958	(58,297)	958
Increase/(Decrease) in creditors and borrowings	(110,541)	(148,140)	(111,257)	(148,956)
Increase/(Decrease) in provisions	15,044	(1,308)	15,044	(1,308)
Net cash provided/(used) by Operating Activities	<u>133,438</u>	<u>298,358</u>	<u>137,143</u>	<u>301,981</u>

**c. Financing Facilities**

A Bank Overdraft Facility of \$20,000 (2001 - \$20,000) was available to the Association at 31st March 2002. As at that date, no amount of this facility was in use (2001 - \$Nil).

The National Australia Bank has a registered mortgage over our 3 Frederick Road, Royal Park property for \$500,000. This security was originally created to secure a commercial bill facility that was discontinued during the year ended 31 March 2000, the security has not been discharged to save potential future costs should the Association require to utilise such a facility in the future.

A hire purchase contract is current with Orix Australia Corporation Ltd.

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

e. Cash balances of \$50,000 (2001: \$Nil) held in solicitors trust account are not available for use by the economic entity at the reporting date refer note 14.

NOTE 19: FINANCIAL INSTRUMENTS

a. Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
			Rate		Within 1 Year		1 to 5 Years	
	2002	2001	2002	2001	2002	2001	2002	2001
<b>FINANCIAL ASSETS</b>	%	%	\$	\$	\$	\$	\$	\$
Cash	-	-	760	760	-	-	-	-
Receivables	-	-	192,942	101,432	-	-	-	-
Investments	-	-	732,601	1,763,617	-	-	-	-
Short Term Deposits	3.62	5.38	5,843,079	2,031,441	-	-	-	-
<b>TOTAL FINANCIAL ASSETS</b>			<b>6,769,382</b>	<b>3,897,250</b>	-	-	-	-
<b>FINANCIAL LIABILITIES</b>								
Bank overdraft & Loans	7.00	7.00	23,605	30,910	-	-	-	-
Accounts Payable	-	-	132,707	189,023	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>			<b>156,312</b>	<b>219,933</b>	-	-	-	-

b. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

NOTE 19: FINANCIAL INSTRUMENTS (cont.)

c. Net Fair Values

Methods and assumptions used in determining net fair value.

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

NOTE 20: PARTICULARS IN RELATION TO CONTROLLED ENTITIES

Note	Interest held		Book value of investment		Contribution to consolidated surplus	
	2002	2001	2002	2001	2002	2001
	%	%	\$	\$	\$	\$
MTA of SA Inc. Controlled entities						
Retail Motor Trading Co. Pty Ltd (ACN 008 166 194)	100%	100%	-	-	4,862	4,219

NOTE 21: NOTICE REQUIRED UNDER THE WORKPLACE RELATIONS ACT 1996

Section 274

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.



NOTE 22: ASSOCIATION DETAILS

The principal place of business of the association is:

3 Frederick Road, Royal Park, Adelaide, South Australia.

NOTE 23: 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.

NOTE 24: SIGNIFICANT CHANGES

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

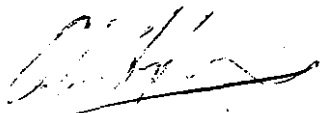
THE MOTOR TRADE ASSOCIATION  
OF SOUTH AUSTRALIA INC.

STATEMENT BY THE BOARD OF MANAGEMENT

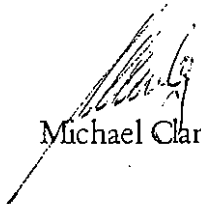
As required by Section 35 (2) of the Associations Incorporation Act 1985 (as amended), pursuant to a resolution of the Board of Directors, it is stated that:-

- [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 2001/2002 financial year; and
- [ii] the Board has reasonable grounds to believe that the association will be able to pay its debts as and when they fall due; and
- [iii] that the association has no subsidiary; and
- [iv] that the association is not a trustee of a trust.

Signed pursuant to a resolution of the Board of Directors.



Colin Heavyside



Michael Claridge

Dated this                      21st            day of                      May                      2002

## BOARD OF MANAGEMENT CERTIFICATE

We, Colin Heavyside and Michael Claridge, being two members of the Board of Management of The Motor Trade Association of SA Inc., do state on behalf of the Board and in accordance with the resolution passed by the Board, that:

- a] in the opinion of the Board of Management, the attached accounts show a true and fair view of the financial affairs of the organisation as at 31st March, 2002;
- b] in the opinion of the Board of Management, meetings of the Board were held during the year ended 31st March 2002 in accordance with the rules of the organisation;
- c] to the knowledge of any member of the Board, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under sub-section 274 (1) of the Workplace Relations Act 1996) or copies of those records or documents, or copies of the rules of the organisation, have not been furnished or made available, to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the organisation;
- d] the organisation has complied with sub-section 279 (1) and (4) of the Workplace Relations Act 1996, as amended, in relation to the financial accounts in respect of the year ended 31st March, 2001, and the auditor's report thereon.



COLIN HEAVYSIDE



MICHAEL CLARIDGE

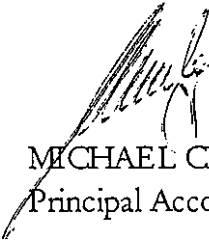
Dated: 21st May, 2002

## STATEMENT OF THE PRINCIPAL ACCOUNTING OFFICER

I, Michael Claridge, being the Principal Accounting Officer of the Motor Trade Association of SA Inc., state that in my opinion -

- a] the accompanying accounts for the financial year ended 31st March, 2002 give a true and fair view of the financial affairs of the organisation at the end of the financial year;
- b] a record has been kept of all monies paid by, or collected from, members of the organisation, and all monies so paid or collected have been credited to the bank account or accounts to which those monies are to be credited, in accordance with the rules of the organisation;
- c] before any expenditure was incurred by the organisation, approval for the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- d] with regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the funds was operated;
- e] no loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation;
- f] the register of members required by the Workplace Relations Act 1996, as amended, to be kept, has been maintained in accordance with the Act.

As at 31st March, 2002, the number of members of the organisation is 1,058.

  
MICHAEL CLARIDGE  
Principal Accounting Officer

Dated: 21st May, 2002.

THE MOTOR TRADE ASSOCIATION  
OF SOUTH AUSTRALIA INC.

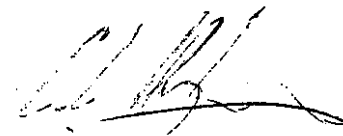
REPORT BY THE BOARD OF MANAGEMENT

As required by Section 35 (5) of the Associations Incorporation Act 1985 (as amended), pursuant to a resolution of the Board of Directors, 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)	2002	2001
received or due and receivable, by	\$	\$
officers of the association.	232,691	197,785

Signed pursuant to a resolution of the Board of Directors.

  
Colin Heavyside

  
Michael Clavidge

Dated this 21st day of May 2002

# You're Invited!

## MEMBERS & PARTNERS

Motor Trade Association of SA Inc.



**76<sup>th</sup>**

## ANNUAL GENERAL MEETING

7.30pm Sharp to 8.00pm

and

## ANNUAL RETAIL MOTOR INDUSTRY COCKTAIL FUNCTION

**Time:** 8.00pm to 10.00pm

**Venue:** National Wine Centre  
Botanic Road, Adelaide

**Date:** Tuesday 16th July 2002

**Dress:** Lounge/After Five

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**RSVP:** Sue Chaplin by 8th July 2002

**P:** (08) 8241 1066 **F:** (08) 8241 1059

email: [ihorne@mta-sa.asn.au](mailto:ihorne@mta-sa.asn.au)

**Attend AGM**  **Y**  **N**

**Attend Cocktail Function**  **Y**  **N**

**Names:** .....

**Business:** .....



**AUSTRALIAN INDUSTRIAL REGISTRY**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7777  
Fax: (03) 9654 6672

Mr Ian Horne  
Secretary  
The Motor Trade Association of South Australia  
PO Box 440  
PORT ADELAIDE SA 5015


Dear Mr Horne,

**Re: The Motor Trade Association of South Australia  
Financial documents for year ended 31 March 2002 - FR2002/545**

Receipt is acknowledged of the financial documents of The Motor Trade Association of South Australia for the year ended 31 March 2002. The documents were lodged in the Industrial Registry on 26 July 2002.

The documents have been filed.

Yours sincerely,

Ruth Hansen   
Statutory Services Branch

29 July 2002