



FAIR WORK  
AUSTRALIA

17 August 2011

Mr John Chapman  
Secretary  
Motor Trade Association of South Australia  
Level 1, 81 Greenhill Road  
WAYVILLE SA 5034

Attention: Ms Tracy Simpson  
[tsimpson@mta-sa.asn.au](mailto:tsimpson@mta-sa.asn.au)

Dear Mr Chapman

**Financial report for year ended 31 March 2011 – FR2011/2512  
Fair Work (Registered Organisations) Act 2009 – (RO Act)**

I acknowledge receipt of the financial report for year ended 31 March 2011 for the Motor Trade Association of South Australia (MTASA). The financial report was lodged with Fair Work Australia (FWA) on 4 August and the certificate of secretary was subsequently lodged on 12 August 2011.

The financial report has been filed.

In future please ensure the certificate of secretary (also known as a designated officer's certificate) is lodged the same time as the full report to allow the FWA officer to ascertain whether sections 265(5), 266(1) and 268 of the RO Act have been complied with. I have also attached an up to date certificate of secretary with reference to the current legislation.

If you have any queries please do not hesitate to contact me on (03) 8661 7989 or by email at [cynthia.lobooth@fwa.gov.au](mailto:cynthia.lobooth@fwa.gov.au)

Yours sincerely

Cynthia Lo-Booth  
Tribunal Services and Organisations

## Sample Designated Officer's Certificate or other Authorised Officer<sup>1</sup>

s268 Fair Work (Registered Organisations) Act 2009

I [name] being the [title of office] of the [name of the organisation] certify:

- that the documents lodged herewith are copies of the full report, ~~[and the concise report]~~<sup>2</sup>, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the [full report OR ~~concise report~~]<sup>3</sup>, was provided to members on [insert date]; and
- that the full report was presented to [a general meeting of members OR ~~a meeting of the committee of management~~]<sup>3</sup> of the reporting unit on [insert date]; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature

Date:

<sup>1</sup>The relevant regulations prescribe the designated officer for the purpose of s268 of the Fair Work (Registered Organisations) Act 2009 as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>Only applicable where a concise report is provided to members

<sup>3</sup>Insert whichever is applicable

**Certificate of Secretary**  
s268 of Schedule 1 *Workplace Relations Act 1996*

I JOHN CLIFFORD CHAPMAN being the Secretary of the Motor Trade Association of South Australia Incorporated certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on 17<sup>th</sup> June 2011; and
- that the full report was presented to a general meeting of members of the reporting unit on 19<sup>th</sup> July 2011; in accordance with section 266 of the RAO Schedule.

Signature: .....  


Date: .....  




**THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INCORPORATED**  
Level 1, 81 Greenhill Road, Wayville SA 5034

GPO BOX 2204, ADELAIDE 5001  
TELEPHONE: (08) 8291 2000  
FACSIMILE: (08) 8291 2099

INTERNET: <http://www.mta-sa.asn.au>  
EMAIL: [mta@mta-sa.asn.au](mailto:mta@mta-sa.asn.au)



FR2011/2512

**DECLARATION OF AN ASSOCIATION**

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

I, JOHN CLIFFORD CHAPMAN of Level 1, 81 Greenhill Road, Wayville 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 Level 1, 81 Greenhill Road, South Australia, phone number (08) 8291 2000 and fax number (08) 8291 2099.
3. THAT the attached document titled "Annual Report" contains "Board of Management Certificate", "Statement of Income and Expenditure (for the year ending 31st March 2011 and "Balance Sheet (as at 31st March 2011) 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 19<sup>th</sup> day of July 2011 and that I was present at this Annual General Meeting.

THAT of the 115 persons who were recorded in the attendance register, 39 recorded as nominated representatives for voting purposes and were members of MTA and Life Members; there were 26 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 19<sup>th</sup> day of July 2011.

AND I MAKE THIS DECLARATION in accordance with subsection 233(1) of the Registration & Accountability of Organisations Schedule (Schedule 1B of the Fair Work (Registered Organisations) Act 2009), conscientiously believing the information contained in this declaration to be true in every particular.

DECLARED AND SUBSCRIBED

At Wayville , South Australia

this 1<sup>st</sup> day of August 2011



# THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INCORPORATED

Level 1, 81 Greenhill Road, Wayville SA 5034

GPO BOX 2204, ADELAIDE 5001  
TELEPHONE: (08) 8291 2000  
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INTERNET: <http://www.mta-sa.com.au>  
EMAIL: [mta@mta-sa.com.au](mailto:mta@mta-sa.com.au)



## **MINUTES OF THE 85<sup>th</sup> ANNUAL GENERAL MEETING OF THE MOTOR TRADE ASSOCIATION OF SOUTH AUSTRALIA INC. HELD AT MEMBERS DINNING ROOM, ADELAIDE OVAL ON TUESDAY 19<sup>th</sup> JULY 2011**

### **ATTENDANCE**

115 members, associates, business partners of the MTA and guests attended the Annual General Meeting, 34 were members, 5 were Life Members of the Association and 26 proxies were noted.

### **1. NOTICE OF MEETING AND RECORDING OF APOLOGIES**

The Secretary, Mr John Chapman welcomed members and guests to the 85<sup>th</sup> Annual General Meeting of the Association and declared the meeting open at 7.04pm.

He extended a special welcome to Life Members and representatives from SGIC Business Insurance. A special thank you was extended to MTA staff from both Greenhill Road and the Group Training Scheme for their assistance in setting up this AGM.

Mr Chapman then introduced the Acting President, Mr Gibb. Mr Gibb acknowledged the absence of President, Mr Colin Clark, due to ill health.

The Acting President said there were 115 apologies in total received; 75 of these were members, 26 proxies were recorded.

### **2. TO ADOPT THE MINUTES OF THE 84<sup>th</sup> AGM HELD 20<sup>th</sup> July 2010**

Moved Brian Weeks (Western Auto Repairs), Seconded Dale John (Ucal Pty Ltd)  
**THAT THE MINUTES OF THE 84<sup>th</sup> ANNUAL GENERAL MEETING BE ADOPTED**

### **3. TO RECEIVE THE FINANCIAL STATEMENT OF THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

Mr Chapman advised that the Treasurer was a late apology due to an unexpected business issue. Mr Chapman then read an edited version of the Treasurer's Report. The full report was enclosed in the Annual Reports which had been previously distributed to members and was also on each chair at the meeting. He was pleased to report that the Association continues to operate profitably. Mr Chapman then asked the audience if there were any questions regarding the financials. There were none.

Moved Neville Gibb (Gibb & Sons Pty Ltd), Seconded John Hurley (Kent Town Auto Tune & Carb.Sls.& Srv.)  
**THAT THE FINANCIAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011 BE RECEIVED**

**4. BOARD OF MANAGEMENT REPORT**

The Acting President delivered the 2010/11 Annual Report and then moved that the report of the Board of Management for the 2010/11 Year be received.

Moved Neville Gibb (Gibb & Sons Pty Ltd), Seconded Len Miller (Life Member)  
**THAT THE REPORT OF THE BOARD OF MANAGEMENT FOR THE 2010/11 YEAR BE RECEIVED**

The Vice President gave thanks to the KPMG Audit Partner, Darren Ball, for their work during the year and sought a mover to the motion:

**5. TO APPOINT AN AUDITOR OR AUDITORS, AND TO FIX HIS/HER REMUNERATION**

Moved George Bolton (Geo Bolton & Associates Pty Ltd), Seconded Brian Weeks (Western Auto Repairs)  
**THAT KPMG BE APPOINTED AS AUDITORS AND THEIR REMUNERATION TO BE DETERMINED BY THE BOARD OF MANAGEMENT**

Acclamation followed...

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

The Executive Director read out the results of the election provided by the Australian Electoral Commission. List attached. *(Refer AR2011/2581)*

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

The Vice President advised that there is no other business submitted by the Board.

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

There was no other business

**9. CLOSURE**

Mr Chapman then closed the formal part of the evening at 7.30pm.

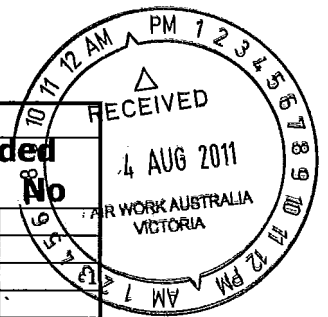
Confirmed this day of ..... 2011.

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President

# MTA 85th ANNUAL GENERAL MEETING

19th July 2011



<b>REGISTRATION</b>			
<b>First Name</b>	<b>Surname</b>	<b>Company</b>	<b>Attended</b>
			<b>Yes      No</b>
Frank	Agostino	Agostino Group	1
Gordon	Alderslade	Barossa Valley Toyota	
Wayne	Arnold	MTA - GTS	1
Darren	Arthur	Capricorn Society	1
Pam	Arthur	Capricorn Society	1
Joe	Artini	Artini Crash Repairs Pty Ltd	1
Tiffany	Ayres	Australia Wide Assist	1
Des	Ayres	Australia Wide Assist	1
Darren	Ball	KPMG	1
Roger	Ballantine	MTA	1
Nadia	Baloglou	Holden	1
Nick	Baloglou	Holden	1
Christine	Bawden	MTA	1
Judy	Bell	Steve's Paint & Panel	1
Michael	Black	MTA - GTS	1
George	Bolton	Geo Bolton & Associates Pty Ltd	1
Arch	Boonen	Fitzroy Car Centre	1
Marc	Brien	Fusion	1
Terry	Brooks	Capricorn Society	1
Grant	Brooks	SGIC	1
Steve	Brown	Steve's Body Shop	1
Ros	Brown	Steve's Body Shop	1
Trevor	Brown	Steve's Body Shop	1
Shane	Brown	Steve's Body Shop	1
Tim	Buckley	MTA-GTS	1
Danny	Shane	South Coast Auto Repairs	1
Mrs	Shane	South Coast Auto Repairs	1
Chanel	Brown	Minter Ellison Lawyers	1
Natalie	Caddle	Caddle Crash Repairs	1
Brenton	Caddle	Caddle Crash Repairs	1
Katherine	Cavanagh	Oriental 4WD & Commercials	1
Michael	Cavanagh	Oriental 4WD & Commercials	1
David	Cavuoto	Commercial Crash Repairs Pty Ltd	1
John	Chapman	MTA	1
Marc	Cheney	Porsche Centre Adelaide	1
Michael	Claridge	Claridge Motors	1
Kevin	Cleland	SGIC	1
Terence	Critchley	Transport Connection	1
Bruce	Cussans	Bruce Cussans Automatics	1
Marisa	Delina	Dilena Bros Crash Repairs	1
Vincent	Dilena	Dilena Bros Crash Repairs	1
Emily	Dorman	KPMG	1
Richard	Dudley	AMIF	1
Mark	Duke	MTA - GTS	1
Ray	Eastwood	B E A Motors Pty Ltd	1
Paul	Eblen	MTA	1
John	Eglezos	SA Chassis & Suspension Repairs	1
Dianne	Eglezos	SA Chassis & Suspension Repairs	1
Richard	Flashman	MTA Life Member	1
Julia	Germinario	Glynde Auto Spares	1
Neville	Gibb	Gibb & Sons Pty Ltd	1
Paul	Good	MTA - GTS	1
John	Greco	Central Hills Panel & Paint	1
Kerry	Greco	Central Hills Panel & Paint	1
Anthony	Harris	Budget Rent A Car	1
Colin	Heavyside	MTA Life Member	1
Richard	Humphrey	SGIC	1
Kent	Humphries	Boylan Media	1
Liam	Hunt	MTA	1
Louise	Hurley	Kent Town Auto Tune & Carb.Sls.& Srv.	1
John	Hurley	Kent Town Auto Tune & Carb.Sls.& Srv.	1
Kim	Jacobs	Working Capital Finance	1
Dale	John	Ucal Pty Ltd	1
Janice	John	Ucal Pty Ltd	1
Tony	Johnson	Ultra Car Care SA	1
Jon	Kieboom	Commonwealth Bank	1
Danny	Knight	Capricorn Society	1
Lyn	Knight	Capricorn Society	1

# MTA 85th ANNUAL GENERAL MEETING

19th July 2011

Sean	Leckie	MTA - GTS	1	
Ron	Lewis	Glynde Auto Spares	1	
Mario	Marrone	MTA - GTS		1
Wayne	Marschall	Wayne Marschall Crash Repairs	1	
Asta	McCormack	MTAA Superannuation	1	
Bruce	McFarlane	MTA Life Member		1
Darren	McGeachie	Access OCAR	1	
Peter	McMahon	MTA	1	
Len	Miller	MTA Life Member	1	
Kevin	Mullen	M E Dale Crash Repairs	1	
Kevin	Mullen JNR	M E Dale Crash Repairs	1	
Di	Mulvihill	Fitzroy Car Centre	1	
Denis	Munden	Autocraft Collision Repairs		1
James	Murphy	Boylen Media	1	
Marion	Noack		1	
Ray	Noack	MTA Life Member	1	
Tammy	Nolan	MTA	1	
Anthony	Norris	Grand Auto Wreckers	1	
Jolanta	O'Sullivan	Agostino Group	1	
Joan	Paech	Paech Motors	1	
Roger	Paech	Paech Motors	1	
George	Papillo	Just Commodore Spares	1	
George	Papillo Jnr	Just Commodore Spares	1	
David	Pastro	Artini Crash Repairs Pty Ltd	1	
Michael	Ping	Fusion	1	
Jason	Polgreen	MTA	1	
John	Politis	MTA - GTS	1	
Wendy	Polley	Independent Components	1	
Clive	Polley	Independent Components	1	
Steven	Richardson	MTA - GTS	1	
Sandra	Rippon	B E A Motors Pty Ltd	1	
Brian	Rippon	B E A Motors Pty Ltd	1	
Karyn	Roberts	O G Roberts & Co	1	
Peter	Roberts	O G Roberts & Co	1	
Peter	Robinson	MTA Life Member	1	
John	Rowley	Caltex Yamba Roadhouse	1	
Vince	Salzone	MTA - GTS	1	
Joshua	Schwarz	MTA - GTS	1	
Michael	Sheehan	MTA	1	
Tracy	Simpson	MTA	1	
Joedie	Smellin	MTA	1	
Gary	Smith	MTA - GTS	1	
Richard	Stock	MTA - GTS	1	
John	Strauss	MTA - GTS	1	
Nicholas	Taddeo	THR Developments Pty Ltd		1
Tony	Taddeo	MTA - GTS	1	
Jennifer	Tobin	Minter Ellison Lawyers	1	
Bill	Towler	Towler Mechanical/Towler Performance	1	
Hazel	Towler	Towler Mechanical/Towler Performance	1	
Chris	Tune	Fusion	1	
Darran	van der Woude	River Murray Auto Wreckers		1
Brenton	Waller	SGIC	1	
Bev	Waters	Tundarra Sales & Service Pty	1	
Peter	Webber	State Manager, SGIC	1	
Denise	Weeks	Western Auto Repairs	1	
Brian	Weeks	Western Auto Repairs	1	
Jeff	Williams	Specific Prestige	1	
John	Zulian	Keswick Crash Repairs	1	
Paola	Zulian	Keswick Crash Repairs	1	
			115	12





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

ABN 65 767 492 138

## **Consolidated Financial Report**

For the year ended

**31 March 2011**

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

ABN 65 767 492 138

## Operating Report

Your Board of Management present their report, together with the financial report of The Motor Trade Association of SA Inc. (the Association) and of the Consolidated Entity, being the Association and its controlled entities, for the financial year ended 31 March 2011.

The names of the Members of the Board of Management who held office at any time during or since the end of the year are:

Colin Clark	Theo Kruys	
Frank Agostino	Harold Shipp	
Peter Roberts	Roger Paech	
Neville Gibb	Dale John	
Marc Cheney	Danny Shane	
Brian Weeks	George Papillo	
John Zulian	John Rowley	
Clive Polley	Robert Duns	
Colin Butcher	Jeff Williams	19 Oct 10 – 31 Mar 11
George Bolton	Tracy Butler	15 Feb 11 – 31 Mar 11
Arch Boonen	Brenton Abbott	01 Apr 10 – 20 Jul 10

All other Members of the Board of Management held the position for the period of 01 April 2010 to 31 March 2011.

### Principal Activities

The principal activities of the Consolidated Entity 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 2011.

### Statement of Comprehensive Income

The Associations profit from ordinary activities in the financial year ended 31 March 2011 was the Association \$105,359, (2010: \$199,980) and for the Consolidated Entity \$425,280, (2010: \$2,059,802).

## **Statement of Financial Position**

The financial position of the Association and the Consolidated Entity was improved by the operating profit noted above. Equity increased to \$9,272,412 for the Association and to \$17,896,163 for the Consolidated Entity.

The Association's cash flow from operations was \$269,168 and the Consolidated Entity \$971,693.

## **Events since balance date**

The Retail Motor Trading Co. Pty Ltd since balance date has purchased one (1) unit in MTAA Unit Trust for the value of \$145,501.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

## **Trustee or Director of Superannuation Entity**

Subsection 254(2)(d) of the Fair Work Australia (Registered Organisations) Act 2009 requires "details" (including details of the position held) of any officer or member of the reporting unit who is;

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation."

The Board is not aware of any officer or member of the Consolidated Entity holding a position as trustee or director of a company (that is a trustee of a superannuation entity or exempt public sector superannuation scheme) where the criterion for holding such position is that he or she is an officer or member of an organisation.

## **Members**

Members' rights to resign is set out in Item 13 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.

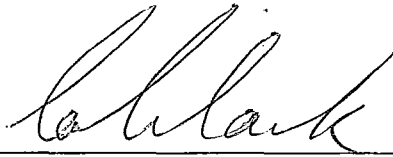
At the end of the financial year there were 1,108 members of the Motor Trade Association of SA Inc, (2010: 1065).

## **Staffing**

The Association employed 50 staff at the end of the financial year, (2010: 46). The Consolidated Entity employed 569 staff at year end (2010: 534).


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

Board  
Member



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Board  
Member



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Dated this 17 day of May 2011.

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

**DISCUSSION AND ANALYSIS OF PRINCIPAL FACTORS AFFECTING THE FINANCIAL PERFORMANCE,  
FINANCIAL POSITION AND FINANCIAL AND INVESTING ACTIVITIES**

The financial statements and disclosures in the financial report have been derived from the 2011 Financial Report of the Motor Trade Association of SA Inc. and Consolidated Entity.

A copy of the full financial report and auditor's report will be sent to all members, free of charge.

The following discussion and analysis is provided to assist the understanding of members of the MTA of SA Inc. The discussion and analysis is based on the general purpose financial report of the Association and Consolidated Entity.

**Operational and financial review**

The financial statements from the Association and the Consolidated Entity are for the twelve months ended 31 March 2011, the comparative financial statements for the Association and the Consolidated Entity are for the twelve months ended 31 March 2010.

**Statement of Comprehensive Income**

The Associations profit for ordinary activities in the financial year ended 31 March 2011 was the Association \$105,359, (2010: \$199,980) and as a Consolidated Entity \$425,280, (2010: \$2,059,802).

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

ABN 65 767 492 138

**Statement of Comprehensive Income  
For the year ended 31 March 2011**

	<i>Note</i>	MTA		Consolidated	
		2011	2010	2011	2010
		\$	\$	\$	\$
Membership contributions		1,194,258	1,146,401	1,194,258	1,146,401
Commissions		261,337	333,359	261,337	333,359
Grant income		-	199,000	2,232,985	3,377,282
Member function income		33,644	40,351	33,644	40,351
Rents		822,084	766,172	362,084	325,677
Sales – print & stationery		374,809	282,238	374,809	282,238
Apprentice income		-	-	14,407,165	13,804,939
Other operating income	2(a)	521,462	454,999	250,672	282,073
Industry support		-	-	28,283	-
<b>Revenue from ordinary activities</b>		<b>3,207,594</b>	<b>3,222,520</b>	<b>19,145,237</b>	<b>19,592,320</b>
Administration expenses		770,200	793,030	1,317,529	1,219,786
Advertising		113,457	139,882	253,772	264,346
Advocacy		36,656	40,107	36,656	40,107
Affiliation fees		159,700	156,386	159,700	156,386
Apprentice training costs		-	-	178,121	138,480
Audit fees		27,500	26,000	50,600	61,197
Cost of sales – print & stationery		197,302	138,155	197,302	138,155
Depreciation		302,631	267,264	682,352	533,623
Insurance		35,905	32,582	80,789	66,903
Legal costs		67,804	73,901	82,131	96,573
Motor vehicle costs		12,962	15,638	103,012	104,592
Motor trade journal		51,094	52,608	51,094	52,608
Officers Remuneration		333,115	323,749	333,115	323,749
Officers Remuneration - on costs		56,985	54,901	56,985	54,901
Salaries & wages		898,926	831,889	13,853,298	12,949,115
Salaries & wages – on costs		256,797	255,181	1,716,935	1,668,928
Telephone		50,390	41,269	84,564	66,485
Travel		66,418	57,680	81,287	72,601
<b>Costs from ordinary activities</b>		<b>3,437,842</b>	<b>3,300,222</b>	<b>19,319,242</b>	<b>18,008,535</b>
<b>Operating profit/(loss) from operating activities</b>		<b>(230,248)</b>	<b>(77,702)</b>	<b>(174,005)</b>	<b>1,583,785</b>
Financial income	2(b)	335,607	277,682	599,285	476,017
<b>Profit for the period</b>		<b>105,359</b>	<b>199,980</b>	<b>425,280</b>	<b>2,059,802</b>
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>105,359</b>	<b>199,980</b>	<b>425,280</b>	<b>2,059,802</b>

The income statement should be read in conjunction with the notes to the financial statements set out on pages 9 to 24.

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 2011**

	<i>Note</i>	MTA		Consolidated	
		2011	2010	2011	2010
Accumulated Member Funds		\$	\$	\$	\$
<b>Accumulated Surplus:</b>					
Opening balance		9,167,053	8,967,073	17,470,883	15,411,081
Total comprehensive income for the period		105,359	199,980	425,280	2,059,802
<b>Total Equity at the end of the year</b>		<b>9,272,412</b>	<b>9,167,053</b>	<b>17,896,163</b>	<b>17,470,883</b>

The statement of changes in equity should be read in conjunction with the notes to the financial statements set out on pages 9 to 24.

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

ABN 65 767 492 138

Statement of Financial Position

<b>As at 31 March 2011</b>		<b>MTA</b>		<b>Consolidated</b>	
	<i>Note</i>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Assets</b>		\$	\$	\$	\$
Cash	3	1,405,399	1,621,940	3,434,197	4,642,004
Trade and other receivables	4	692,071	581,060	2,346,952	2,217,595
Inventories	5	37,506	33,361	44,874	37,697
Investments	6	2,397,862	2,260,464	5,336,237	4,531,185
<b>Total current assets</b>		<b>4,532,838</b>	<b>4,496,825</b>	<b>11,162,260</b>	<b>11,428,481</b>
Investments	6	668,000	668,000	668,000	668,000
Property, plant and equipment	7	5,621,365	5,575,685	9,211,255	8,519,159
<b>Total non-current assets</b>		<b>6,289,365</b>	<b>6,243,685</b>	<b>9,879,255</b>	<b>9,187,159</b>
<b>Total assets</b>		<b>10,822,203</b>	<b>10,740,510</b>	<b>21,041,515</b>	<b>20,615,640</b>
<b>Liabilities</b>					
Trade and other payables	8	927,099	886,455	2,007,709	2,039,043
Employee benefits	9	546,514	641,726	1,061,465	1,060,438
<b>Total current liabilities</b>		<b>1,473,613</b>	<b>1,528,181</b>	<b>3,069,174</b>	<b>3,099,481</b>
Employee benefits	9	76,178	45,276	76,178	45,276
<b>Total non-current liabilities</b>		<b>76,178</b>	<b>45,276</b>	<b>76,178</b>	<b>45,276</b>
<b>Total liabilities</b>		<b>1,549,791</b>	<b>1,573,457</b>	<b>3,145,352</b>	<b>3,144,757</b>
<b>Net assets</b>		<b>9,272,412</b>	<b>9,167,053</b>	<b>17,896,163</b>	<b>17,470,883</b>
<b>Equity</b>					
Accumulated surpluses		9,272,412	9,167,053	17,896,163	17,470,883
<b>Total equity</b>		<b>9,272,412</b>	<b>9,167,053</b>	<b>17,896,163</b>	<b>17,470,883</b>

The balance sheet should be read in conjunction with the notes to the financial statements set out on pages 9 to 24.



**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 2011**

	<i>Note</i>	<b>MTA</b>		<b>Consolidated</b>	
		<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
		\$	\$	\$	\$
<b>Cash flows from operating activities</b>					
Cash receipts from customers		3,096,583	2,201,467	18,941,966	18,640,729
Cash paid to suppliers and employees		(3,163,022)	(2,090,457)	(18,569,558)	(16,651,726)
Cash generated from operations		(66,439)	111,010	372,408	1,989,003
Distribution from MTAA House		137,397	151,400	137,397	151,400
Interest received		198,210	126,282	461,888	324,617
<b>Net cash from operating activities</b>		<b>269,168</b>	<b>388,692</b>	<b>971,693</b>	<b>2,465,020</b>
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant and equipment		31,194	16,773	142,918	52,338
Acquisition of property, plant and equipment		(379,505)	(280,066)	(1,517,366)	(2,778,393)
<b>Net cash from investing activities</b>		<b>(348,311)</b>	<b>(263,293)</b>	<b>(1,374,448)</b>	<b>(2,726,055)</b>
<b>Cash flows from financing activities</b>					
<b>Net cash from financing activities</b>		-	-	-	-
Net increase in cash and cash equivalents		(79,143)	125,399	(402,755)	(261,035)
Cash and cash equivalents at 1 April		3,882,404	3,757,005	9,173,189	9,434,224
<b>Cash and cash equivalents at 31 March</b>	<i>12</i>	<b>3,803,261</b>	<b>3,882,404</b>	<b>8,770,434</b>	<b>9,173,189</b>

The statement of cash flows should be read in conjunction with the notes to the financial statements set out on pages 9 to 24.

# Notes to the consolidated financial statements

## 1. Significant accounting policies

The Motor Trade Association of SA Inc (the "Association") is an entity domiciled in South Australia. The consolidated financial report of the Association for the year ended 31 March 2011 comprise the Association and its subsidiaries (together referred to as the "Consolidated Entity").

The financial report was authorised for issue by the directors on 17th May 2011.

### (a) Statement of compliance

The Association and the Consolidated Entity early adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-02 Amendments to Australian Standards arising from Reduced Disclosure Requirements for the financial year beginning 1 April 2010 to prepare Tier 2 general purpose financial statements.

The consolidated financial report of the Consolidated Entity and the financial report of the Association are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB-RR's) (including Australian Interpretations) adopted by the Australian Accounting Standards Board and the Associations Incorporations Act 1985 (as amended) and Fair Work (Registered Organisations) Act 2009.

### (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.

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.

### (c) Accounting estimates and judgements

Management discussed with the Board of Management the development, selection and disclosure of the Consolidated Entity's critical accounting policies and estimates and the application of these policies and estimates.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (d) Basis of consolidation

##### (i) Subsidiaries

Subsidiaries are entities controlled by the Association. Control exists when the Association has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. 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.

##### (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.

#### (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 k).

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 on a tri-annual basis and reflect that valuation only if it represents a devaluation below the value carried in the Statement of Financial Position.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (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 estimated useful lives of the improvements. Plant and equipment are depreciated from the date of acquisition. 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>	
	<u>2011</u>	<u>2010</u>
Plant & Equipment	9 to 36%	9 to 36%
Furniture & Fittings	11 to 30%	11 to 30%
Motor Vehicles	22.5%	22.5%
Buildings & Improvements	2.5 to 4%	2.5 to 4%

The residual value, if not insignificant, is reassessed annually

#### (f) Expenses

##### *Operating lease payments*

Payments made under operating leases are recognised in profit and loss on a straight-line basis over the term of the lease.

##### *Net financing costs*

Net financing costs comprise interest payable on borrowings and dividend income. Interest 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 non-current investments are stated at cost, less impairment losses (see accounting policy k).

#### (h) Trade and other receivables

Trade and other receivables, to be settled within 30 days are initially measured at their fair value and subsequently measured at amortised cost using the effective interest rate method less any impairment losses (see accounting policy k).

Bad debts are written off when they are identified.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (i) Inventories

Inventories consist of printing and stationery, raw and finished products, 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.

#### (j) Cash and cash equivalents

Cash and cash equivalents comprise cash balances (note 3) and call deposits classified as current investments (note 6). 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.

#### (k) Impairment

The carrying amounts of the Consolidated Entity's assets, other than inventories (see accounting policy i), 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.

Depreciated replacement cost 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 the Consolidated Entity's assets carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment. Non significant receivables are not individually assessed.

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 "depreciated 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.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (l) 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

For the Retail Motor Trading Co. Pty Ltd, a controlled entity, tax effect accounting is applied using the balance sheet method. The income tax expense comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

The Retail Motor Trading Co. Pty Ltd had a nil income tax expense resulting from activities to the taxation year ended 30 June 2011, (2010: \$Nil).

#### (m) Employee benefits

##### *Defined Contribution plans*

Obligations for contributions to defined contribution superannuation plans are recognised as an expense in profit and loss as incurred.

##### *Long-term service benefits*

The Consolidated Entity's net obligation in respect of long-term service benefits, other than pension 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 the Commonwealth Government bonds that have maturity dates approximating to the terms of the Consolidated Entity's obligations.

##### *Wages, salaries, annual leave and non monetary benefits*

A provision is made for annual 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.

Annual leave is provided for at current rates of pay plus employment costs. The Consolidated Entity's experience is that the majority of Annual Leave is taken as accrued, and future wage increases are not subject to any agreed formula or enterprise agreements.

No provision is made for sick leave, which although cumulative is non-vesting. However, it is vesting for apprentices. The Consolidated Entity's experience is that traditionally, sick leave paid in a year does not exceed the benefit accumulated in a year.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (n) 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. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

#### (o) 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 value. Trade accounts payable, are normally settled within 30 days.

#### (p) Interest Rate Risk

The Consolidated Entity has exposure to interest rate risk through its bank deposits. Information about the bank deposits are set out in note 6.

#### (q) Revenue

##### (i) Goods sold and services rendered

Revenue from the sale of goods is recognised in profit and loss when significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognised in profit and loss 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 and commissions are recognised when the Consolidated Entity has received a dividend or 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

Grants constituting non-reciprocal transfers received from the Government are recognised as income when the Consolidated Entity obtains control of the benefit. A non-reciprocal transfer is one in which the Consolidated Entity receives assets and services or has liabilities extinguished without giving approximately equal value in exchange to the other party or parties to the transfer. Grants in which the Consolidated Entity is required to repay unutilised funding are treated as reciprocal transfers and income is recognised by reference to the stage of completion of the transaction.

## Notes to the consolidated financial statements (continued)

### 1. Significant accounting policies (continued)

#### (r) 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.

#### (s) Reduced Disclosure

The Association and the Consolidated Entity early adopted AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-02 *Amendments to Australian Standards arising from Reduced Disclosure Requirements*. This has resulted in a reduction of disclosures for items such as financial instruments.

Comparative information has been re-presented or removed so that it also conforms to the new disclosure requirements. Since the change in accounting policy only impacts presentation aspects, there is no impact on comprehensive income.



## Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2011	2010	2011	2010
<b>2(a) Other income</b>	\$	\$	\$	\$
Other services	28,969	27,462	148,179	214,536
Industrial services	102,493	67,537	102,493	67,537
Inter group management fees	390,000	360,000	-	-
	<u>521,462</u>	<u>454,999</u>	<u>250,672</u>	<u>282,073</u>
<b>2(b) Financial income</b>				
Interest	198,210	126,282	461,888	324,617
MTAA House Distribution	137,397	151,400	137,397	151,400
	<u>335,607</u>	<u>277,682</u>	<u>599,285</u>	<u>476,017</u>
<b>3. Cash</b>				
Cash	1,405,399	1,621,940	3,434,197	4,642,004
	<u>1,405,399</u>	<u>1,621,940</u>	<u>3,434,197</u>	<u>4,642,004</u>
<b>4. Trade and other receivables</b>				
<b>Current</b>				
Trade and other receivables	244,722	141,368	2,217,433	2,132,642
Prepayments	69,528	3,844	129,519	84,953
Receivables due from controlled entities	377,821	435,848	-	-
	<u>692,071</u>	<u>581,060</u>	<u>2,346,952</u>	<u>2,217,595</u>
<b>5. Inventories</b>				
Stationery	24,745	25,106	24,745	25,106
Printing	12,761	8,255	20,129	12,591
	<u>37,506</u>	<u>33,361</u>	<u>44,874</u>	<u>37,697</u>

## Notes to the consolidated financial statements (continued)

	MTA		Consolidated	
	2011	2010	2011	2010
	\$	\$	\$	\$
<b>6. Investments</b>				
<b>Current Investments</b>				
Fixed Term Deposit	2,397,862	2,260,464	5,336,237	4,531,185
Deposits at Call	2,397,862	2,260,464	5,336,237	4,531,185
<b>Non-Current Investments</b>				
<b>Publicly Listed Investments</b>	-	30,074	-	30,074
Less: Prov. For Diminution in Value	-	(30,074)	-	(30,074)
<b>Shares in Non-Listed Investments</b>				
MTAA Superannuation Fund Pty Limited (ACN 008 650 628)	1	1	1	1
	1	1	1	1
<b>Units in MTAA Unit Trust</b>	668,000	668,000	668,000	668,000
<b>Total Non-current Investments</b>	668,000	668,000	668,000	668,000

The Association holds 12.17% (twelve point one 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 31 March 1997, by the Board on the basis of the entitlement to net assets of the Trust per accounts dated 30 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 April 2001, when AASB 38 Revaluation of Non Current Assets was first applied.

Any units acquired since that date are stated at cost.

MTAA House was re-valued by Mr. P Harding FAPI of Knight Frank Canberra Pty Ltd on 30 June 2010 at a "willing buyer/seller" market value of \$22,800,000 (2010 \$22,250,000). On the basis of MTA's entitlement to net assets of the Trust per accounts dated 30 June 2010, (which included this revaluation of the building), MTA's net asset entitlement would be \$2,341,154 (2010 \$ 2,290,646).

## Notes to the consolidated financial statements (continued)

### 7. Property, plant and equipment

	MTA				Total
	Land and buildings	Plant and equipment	Fixtures and fittings	Other	
<b>Cost</b>					
Balance at 1 April 2009	5,985,918	1,314,291	50,975	77,502	7,428,686
Acquisitions	-	241,198	3,669	35,199	280,066
Disposals	-	-	-	(24,811)	(24,811)
Balance at 31 March 2010	<u>5,985,918</u>	<u>1,555,489</u>	<u>54,644</u>	<u>87,890</u>	<u>7,683,941</u>
Balance at 1 April 2010	5,985,918	1,555,489	54,644	87,890	7,683,941
Acquisitions	-	262,188	318	116,999	379,505
Disposals	-	-	-	(52,686)	(52,686)
Balance at 31 March 2011	<u>5,985,918</u>	<u>1,817,677</u>	<u>54,962</u>	<u>152,203</u>	<u>8,010,760</u>
<b>Depreciation and impairment losses</b>					
Balance at 1 April 2009	1,098,454	715,443	17,964	17,169	1,849,030
Depreciation charge for the year	131,120	107,668	12,714	15,762	267,264
Disposals	-	-	-	(8,038)	(8,038)
Balance at 31 March 2010	<u>1,229,574</u>	<u>823,111</u>	<u>30,678</u>	<u>24,893</u>	<u>2,108,256</u>
Balance at 1 April 2010	1,229,574	823,111	30,678	24,893	2,108,256
Depreciation charge for the year	131,120	143,859	6,052	21,600	302,631
Disposals	-	-	-	(21,492)	(21,492)
Balance at 31 March 2011	<u>1,360,694</u>	<u>966,970</u>	<u>36,730</u>	<u>25,001</u>	<u>2,389,395</u>
<b>Carrying amounts</b>					
At 1 April 2009	4,887,464	598,848	33,011	60,333	5,579,656
At 31 March 2010	<u>4,756,344</u>	<u>732,378</u>	<u>23,966</u>	<u>62,997</u>	<u>5,575,685</u>
At 1 April 2010	4,756,344	732,378	23,966	62,997	5,575,685
At 31 March 2011	<u>4,625,224</u>	<u>850,707</u>	<u>18,232</u>	<u>127,202</u>	<u>5,621,365</u>

## Notes to the consolidated financial statements (continued)

### Property, plant and equipment (continued)

#### Consolidated

	Land and buildings	Plant and equipment	Fixtures and fittings	Other	Total
<b>Cost</b>					
Balance at 1 April 2009	5,985,918	2,895,565	130,486	591,080	9,603,049
Acquisitions	-	491,533	5,300	2,281,560	2,778,393
Disposals	-	(122,516)	-	(107,676)	(230,192)
Balance at 31 March 2010	5,985,918	3,264,582	135,786	2,764,964	12,151,250
Balance at 1 April 2010	5,985,918	3,264,582	135,786	2,764,964	12,151,250
Acquisitions	-	509,675	22,473	969,390	1,501,538
Disposals	-	(136,683)	-	(244,942)	(381,625)
Balance at 31 March 2011	5,985,918	3,637,574	158,259	3,489,412	13,271,163
<b>Depreciation and impairment losses</b>					
Balance at 1 April 2009	1,098,454	1,895,353	71,401	211,114	3,276,322
Depreciation charge for the year	131,120	287,939	28,607	85,957	533,623
Disposals	-	(122,010)	-	(55,844)	(177,854)
Balance at 31 March 2010	1,229,574	2,061,282	100,008	241,227	3,632,091
Balance at 1 April 2010	1,229,574	2,061,282	100,008	241,227	3,632,091
Depreciation charge for the year	131,120	324,345	24,790	202,097	682,352
Disposals	-	(129,847)	-	(124,688)	(254,535)
Balance at 31 March 2011	1,360,694	2,255,780	124,798	318,636	4,059,908
<b>Carrying amounts</b>					
At 1 April 2009	4,887,464	1,000,212	59,085	379,966	6,326,727
At 31 March 2010	4,756,344	1,203,300	35,778	2,523,737	8,519,159
At 1 April 2010	4,756,344	1,203,300	35,778	2,523,737	8,519,159
At 31 March 2011	4,625,224	1,381,794	33,461	3,170,776	9,211,255

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 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 re-valued by Mr. N Lombardi AAPI of Colliers International Consultancy and Valuation Pty Ltd in March 2009 at a "willing buyer/seller" market value of \$6,750,000.

3 Frederick Road Royal Park was re-valued by Ms. A Marsland AAPI of Colliers International Consultancy and Valuation Pty Ltd in March 2009 at a "willing buyer/seller" market value of \$5,100,000.

## Notes to the consolidated financial statements (continued)

### 8. Trade and other payables

	MTA		Consolidated	
	2011	2010	2011	2010
	\$	\$	\$	\$
Trade payables due to controlled entities	2,835	-	-	-
Subscriptions in advance	216,377	182,772	216,377	182,772
Unearned – Income	23,183	22,070	23,183	22,070
Other trade payables	684,704	681,613	1,768,149	1,834,201
	<u>927,099</u>	<u>886,455</u>	<u>2,007,709</u>	<u>2,039,043</u>

### 9. Employee benefits

#### Current

Office holders liability for annual leave	20,696	20,520	20,696	20,520
Other employees liability for annual leave	204,361	191,828	717,827	607,956
Office holders liability for long-service leave	59,627	54,933	59,627	54,933
Other employees liability for long-service leave	261,240	374,067	261,240	374,067
Liability for rostered days off	590	378	2,075	2,962
	<u>546,514</u>	<u>641,726</u>	<u>1,061,465</u>	<u>1,060,438</u>

#### Non-current

Office holders liability for long-service leave	23,947	12,383	23,947	12,383
Other employees liability for long-service leave	52,231	32,893	52,231	32,893
	<u>76,178</u>	<u>45,276</u>	<u>76,178</u>	<u>45,276</u>

Total employee benefits

	<u>622,692</u>	<u>687,002</u>	<u>1,137,643</u>	<u>1,105,714</u>
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### 10. Contingencies

	MTA		Consolidated	
	2011	2010	2011	2010
	\$	\$	\$	\$
Estimates of the maximum amount of contingent liabilities that may become payable	<u>263,000</u>	<u>272,100</u>	<u>3,135,000</u>	<u>3,022,100</u>

In the event of the winding up of the Motor Trade Association of Australia Limited, the Motor Trade Association of SA 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 \$1,513,000 (2010:\$1,391,000), whilst the cost to the Association for training staff entitlements would be \$263,000 (2010:\$272,000).

In 2010 the MTA Group Training Scheme successfully gained a Federal Government grant of \$1,359,000 for the development of its Royal Park training facilities. Under the terms included in the Deed for the National Training Infrastructure Program, this amount may be recovered within three years of the completion of the project should a disqualifying event as outlined in the Deed occur.

## Notes to the consolidated financial statements (continued)

### 11. Consolidated entities

	<b>Australian Business Number</b>	<b>Ownership interest</b>	
		<b>2011</b>	<b>2010</b>
<b>Parent entity</b>			
The Motor Trade Association of South Australia Inc.	65 767 492 138	100%	100%
<b>Controlled entities</b>			
The MTA – Group Training Scheme Inc.	36 459 968 347	100%	100%
Retail Motor Trading Co. Pty Ltd	ACN 008 166 194	100%	100%

### 12. Reconciliation of Cash and Cash Equivalents

For the purpose of the Statements of Cash Flows, cash and cash equivalents include cash balances (note 3) and call deposits classified as current investments (note 6). Cash and cash equivalents at the end of the financial year is reconciled to the Statement of Financial Position as follows;

	<i>Note</i>	<b>MTA</b>		<b>Consolidated</b>	
		<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
		\$	\$	\$	\$
Cash and Cash Equivalents	3	1,405,399	1,621,940	3,434,197	4,642,004
Short Term Bank Secured Investments	6	2,397,862	2,260,464	5,336,237	4,531,185
		<u>3,803,261</u>	<u>3,882,404</u>	<u>8,770,434</u>	<u>9,173,189</u>

## Notes to the consolidated financial statements (continued)

### 13. Key management personnel disclosures

The names of the Members of the Association's Board of Management who held office at any time during or since the end of the year are:

Colin Clark	Theo Kruys	
Frank Agostino	Harold Shipp	
Peter Roberts	Roger Paech	
Neville Gibb	Dale John	
Marc Cheney	Danny Shane	
Brian Weeks	George Papillo	
John Zulian	John Rowley	
Clive Polley	Robert Duns	
Colin Butcher	Jeff Williams	19 Oct 10 – 31 Mar 11
George Bolton	Tracy Butler	15 Feb 11 – 31 Mar 11
Arch Boonen	Brenton Abbott	01 Apr 10 – 20 Jul 10

All other Members of the Board of Management held the position for the period of 01 April 2010 to 31 March 2011.

The names of the Members of the MTA Group Training Scheme's Board of Management who held office at any time during or since the end of the year are:

Colin Clark	John Zullian	
Frank Agostino	Marc Cheney	15 Feb 11 – 31 Mar 11
Neville Gibb	Danny Shane	
Clive Polley	Theo Kruys	01 Apr 10 – 15 Feb 11

No Member of the Board of Management of the Association receives any remuneration (except travel cost reimbursement) other than in their capacity as an employee of the Association.

#### Transactions with executive officers

	MTA		Consolidated	
	2011	2010	2011	2010
Remuneration (including fringe benefits) received or due and receivable, by officers of the Consolidated Entity.	390,100	378,650	390,100	378,650

The names of the officers of the Consolidated Entry who held office at any time during or since the end of the year are:

John Chapman  
Paul Good

Apart from the details disclosed in this note, no member of the Board of Management has entered into a material contract with the Association or the Consolidated Entity since the end of the previous financial year and there were no material contracts involving director's interests existing at year-end.

## Notes to the consolidated financial statements (continued)

### 14. Subsequent events

The Retail Motor Trading Co. Pty Ltd since balance date has purchased one (1) unit in MTAA Unit Trust for the value of \$145,501.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

### 15. Information to be provided to members or registrar

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

- (1) A member of a reporting unit, or the General Manager, 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).
- (4) The General Manager may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the General Manager must provide to a member information received because of an application made at the request of the member.
- (5) A general purpose financial report prepared under section 253, a concise report prepared under section 265 and a report prepared under subsection 270(4) must include a notice drawing attention to subsections (1), (2) and (3) of this section and setting out those subsections.
- (6) Without limiting the information that may be prescribed under subsection (1), the information prescribed must include details (including the amount) of any fees paid by the reporting unit for payroll deduction services provided by a person who is an employer of:
  - (a) the member making the application for information; or
  - (b) the member at whose request the application was made.

### 16. 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.



## Notes to the consolidated financial statements (continued)

### **17. 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.

### **18. A Melville Memorial Fund**

Funds are held on behalf of the A Melville Memorial Fund and invested with the Association funds as interest earning deposits.

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

On 17th of May 2011 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 2011.

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 – Reduced Disclosure Requirements (AASB - RRs) (including Australian interpretations) adopted by the Australian Accounting Standards Board and Associations Incorporations Act 1985 (as amended) and Fair Work (Registered Organisations) Act 2009;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of FWA;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows on 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 the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009 ; and
  - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) the information sought in any request of a member of the reporting unit or a General Manager duly made under Section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of FWA; and
  - (vi) No orders have been made by the Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.

For Board of Management

Title of Office held: Treasurer

Name: Marc Cheney

Signature: *Marc Cheney*

Date: 17 May 2011

**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 2010/2011 financial year;
- [ii] the Board 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 Directors.

Colin Clark



Marc Cheney



Dated this

17

day of

May

2011

**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:-

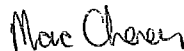
- [a] No benefit has been received as a result of a contract between an officer, firm or corporate (in which an officer or member of the association, is a member or has a substantial financial interest), and the Association.
- [b] No officer of the Association has received any payment or benefit of a pecuniary value other than as part of a negotiated remuneration package as an employee of the Association.
- [c] Remuneration (including fringe benefits) received or due and receivable, by officers of the Association.
- |  | 2011    | 2010    |
|--|---------|---------|
|  | \$      | \$      |
|  | 390,100 | 378,650 |

Signed pursuant to a resolution of the Board of Directors.

Colin Clark



Marc Cheney



Dated this

17

day of

May

2011

**DECLARATION**

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

I, JOHN CLIFFORD CHAPMAN of Level 1, 81 Greenhill Road, Wayville 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 Level 1, 81 Greenhill Road, Wayville, South Australia.
  
3. That the postal address of the office of the Association is GPO Box 2204, Adelaide in the State of South Australia, and that the telephone number is (08) 8291 2000 and the fax number is (08) 8291 2099.
  
4. that the documents lodged herewith are copies of the full report referred to in s268 pursuant to 268(c) of the Fair Work (Registered Organisations) Regulations 2009, that the enclosed Financial Report for the 2010/2011 financial year are copies of the documents to be presented to members at the Annual General Meeting held on Tuesday, 19th July 2011 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

I MAKE THIS DECLARATION in accordance with subsection 233(1) of the Fair Work (Registered Organisations) Regulations 2009, conscientiously believing the information contained in this declaration to be true in every particular.

DECLARED AND SUBSCRIBED

at Wayville, South Australia

this 17<sup>th</sup> day of May, 2011

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## **Independent auditor's report to the members of The Motor Trade Association of SA Incorporated**

### **Report on the financial report**

We have audited the accompanying financial report of The Motor Trade Association of SA Incorporated (the Association), which comprises the Statements of Financial Position as at 31 March 2011, and Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the year ended on that date, notes 1 to 18 comprising a summary of significant accounting policies and other explanatory information and the Board of Management Declaration set out on pages 5 to 27 of the Group, comprising the Association and the entities it controlled at the year's end or from time to time during the financial year.

#### *Board of Management's responsibility for the financial report*

The Board of Management of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the Associations Incorporations Act 1985 (as amended) and Fair Work (Registered Organisations) Act 2009, and for such internal control as the Board of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Associations Incorporations Act 1985 (as amended), Fair Work (Registered Organisations) Act 2009 and Australian Accounting Standards – Reduced Disclosure Requirements, a fair view which is consistent with our understanding of the Association's and the Group's financial position and of their performance.

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



*Auditor's opinion*

In our opinion the financial report of The Motor Trade Association of SA Incorporated is properly drawn up including:

- (a) presenting fairly the Association's and the Group's financial position as at 31 March 2011 and of their performance for the year ended on that date;
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements; and
- (c) in accordance with the Associations Incorporations Act 1985 (as amended) and Fair Work (Registered Organisations) Act 2009.

KPMG

Darren Ball  
*Partner*

Adelaide

17 May 2011