

# 2010–11 Members' Report



## MEMBERSHIP

During the last financial year, membership grew by 6.6 per cent to 19,632 members, with over 62 per cent of these opting for either the Plus or Premium product.

## FINANCIAL

This financial year AANT had a trading surplus of \$600,000, an increase of \$155,000 over last year's result (\$445,000), with a trading profit (net of \$209,000 investment return) of \$391,000.

The Council has maintained its conservative approach to investing, with its reserves on deposit with the NAB, TIO and the Australian Central Credit Union.

## ROAD SERVICE

AANT contractors delivered a total of 18,802 road service call-outs for the year (378 fewer than last year). Of these, 63 per cent were directly for our members, while 23 per cent were to members of interstate constituent clubs, and 11 per cent to other commercial clients.

Direct payments to our contractors for these services totalled \$1.35 million.

## COMMERCIAL ACTIVITIES

The Affinity Agreement with the Territory Insurance Office benefits our members with a discount on their insurance premiums. With the Affinity Agreement now fully incorporated into our business plan, the commissions on these premiums decreased to \$64,000, in line with expectations.

Commissions on battery sales remained steady at \$21,500 (\$22,000 in 2009–10) for the year.

The income generated from our suite of tourism products, which includes commissions from Thrifty, Great Southern Rail, theme park and attraction tickets and international driving permits grew by 30 per cent to \$144,000 for the year.



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## **PUBLIC POLICY MATTERS**

AANT was active in its advocacy this year with several submissions to both the NT and federal governments. In addition, a number of media releases were disseminated and radio interviews conducted. The Council regards this as one of our priority areas and utilises the expertise of RAA and AAA to provide technical and back-up support in this area.

AANT also had representation on the local Black Spot Consultative Panel, the local National Motor Vehicle Theft Reduction Council, the NT Technical Advisory Committee, Drivesafe NT, the NT Level Crossing Safety Committee, the Road Rules Maintenance Group and the Road Safety Consultative Committee.

## **AUSTRALIAN AUTOMOBILE ASSOCIATION**

During the year I represented AANT on the AAA Board, attending various meetings in Melbourne and Sydney, as well as the Conference in the company of Graeme Buckley. I also represented AANT at the Australia's Best Car Awards Ceremony and met with the President of the Fédération Internationale de l'Automobile Jean Todt at the launch of the Decade of Action on Road Safety.

## **GOVERNANCE**

There were two changes in the Council membership this year. Helen Galton and Barry Thomas retired and were replaced by Sharon Winks and Mark Rowberry. In August 2011 John Mitchell took up the position of General Manager NT Rugby League and subsequently retired from the Council. His place was filled by Suzanne Morgan.

By rotation, the three retiring Councillors, Sharon Winks, Suzanne Morgan and I, have offered ourselves for re-election. On behalf of the members, I extend thanks to all Councillors for their considerable contribution to the Association, which is purely voluntary.

## **STAFF**

Edon Bell and his cohesive and productive team continued their fine work.

I take this opportunity to thank Edon and his team for their efforts and the high standard of member services provided throughout the year.

## **IN CLOSING**

With an excellent management team in place, the continued support of our affiliated interstate clubs, and conservative investment strategies, we are in a robust position with membership, member services and income increasing, while expenses have been controlled.

With the new website now 'online' and the major organisational changes of the last two years bedded down, we look forward to another successful year for the benefit of our members.



Robert Bradley  
**AANT PRESIDENT**



# AANT Financials

The following is an extract from the Annual Financial Report of the Automobile Association of the Northern Territory Incorporated for the year ended 30 June 2011. Please note that the full financial report is available online at [www.aant.com.au](http://www.aant.com.au)

## **COUNCIL'S REPORT**

Your Council Members submit the financial statements of the Automobile Association of the Northern Territory Incorporated for the financial year ended 30 June 2011.

## **PRINCIPAL ACTIVITIES**

The principal activity of the Association during the financial year was the provision of roadside assistance services and other motoring and touring-related services to members of the Association. There is no change in the principal activity since last financial year.

## **OPERATING RESULT**

The surplus for the year was \$600,705 (2010: \$455,186).

## **COMMITTEE'S STATEMENT**

In our opinion:

- (a) the accompanying Statement of Comprehensive Income presents fairly the performance of the Association for the year ended 30 June 2011; and
- (b) the accompanying Balance Sheet presents fairly the financial position of the Association as at 30 June 2011; and
- (c) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- (d) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Council Members.



**Edon Bell**  
Manager



**Robert Bradley**  
President

Date: 27 September 2011  
Darwin

# AANT Financials

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AUTOMOBILE ASSOCIATION OF THE NORTHERN TERRITORY INCORPORATED**

We have audited the accompanying financial report of the Automobile Association of the Northern Territory Incorporated, which comprises the balance sheet as at 30 June 2011, and the income statement, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the committee's declaration.

## **THE COMMITTEE'S RESPONSIBILITY FOR THE FINANCIAL REPORT**

The Association's committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Northern Territory of Australia Associations Act* and for such internal controls as the committee determine are 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. Those 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 our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity'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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

## **INDEPENDENCE**

In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies. In addition to our audit of the financial report, we were engaged to undertake non-audit services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

## **AUDITOR'S OPINION**

In our opinion the financial report presents fairly, in all material respects, the financial position of the Automotive Association of the Northern Territory Incorporated as of 30 June 2011, and its financial performance and cash flows for the year then ended, in accordance with Australian Accounting Standards and the *Northern Territory of Australia Associations Act*.



**Aminul Islam**  
Director Merit Partners

Date: 28 September 2011  
Darwin

## Income Statement for the year ended 30 June 2011

	2011	2010
	\$	\$
Revenue	3,633,323	3,380,717
Depreciation expense	–	(2,486)
Member services expenses	(1,907,667)	(2,040,130)
Administration fees	(351,000)	(147,100)
Employee benefits	(444,184)	(424,996)
Other expenses	(311,346)	(310,580)
Auditor's remuneration	(18,421)	(10,239)
Profit before income tax	600,705	445,186
Income tax expense	–	–
<b>Profit from operations</b>	<b>600,705</b>	<b>445,186</b>

## Balance sheet as at 30 June 2011

	2011	2010
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	982,639	1,560,756
Trade and other receivables	187,853	259,935
Investments	2,912,569	1,735,011
Inventories	27,218	24,158
<b>Total current assets</b>	<b>4,110,278</b>	<b>3,579,860</b>
<b>Non-current assets</b>		
Plant and equipment	–	–
<b>Total non-current assets</b>	<b>–</b>	<b>2,486</b>
<b>Total assets</b>	<b>4,110,278</b>	<b>3,579,860</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Subscriptions and income in advance	1,218,652	1,190,217
Trade and other payables	679,441	775,175
Petty cash advance	27,985	29,996
<b>Total current liabilities</b>	<b>1,926,078</b>	<b>1,995,388</b>
<b>Non current liabilities</b>		
Employee provisions	6,836	7,812
<b>Total non-current liabilities</b>	<b>6,836</b>	<b>7,812</b>
<b>Total liabilities</b>	<b>1,932,914</b>	<b>2,003,200</b>
<b>Net assets</b>	<b>2,177,365</b>	<b>1,576,660</b>
<b>Equity</b>		
Retained earnings	2,177,365	1,576,660
<b>Total equity</b>	<b>2,177,365</b>	<b>1,576,660</b>

### Statement of changes in equity for the year ended 30 June 2011

	Retained Earnings	Reserves	Total
	\$	\$	\$
<b>Balance at 30 June 2009</b>	<b>1,131,474</b>	<b>0</b>	<b>1,131,474</b>
Profit attributable to members	445,186	0	445,186
<b>Balance at 30 June 2010</b>	<b>1,576,660</b>	<b>0</b>	<b>1,576,660</b>
Profit attributable to members	600,705	0	600,705
<b>Balance at 30 June 2011</b>	<b>2,177,365</b>	<b>0</b>	<b>2,177,365</b>

### Cash flow statement for the year ended 30 June 2011

	2011	2010
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from members and customers	3,364,818	2,959,490
Payments to suppliers and employees	(3,105,964)	(2,652,911)
Interest received	202,503	86,026
Commissions received	138,084	176,797
<b>Net cash flows from operating activities</b>	<b>599,441</b>	<b>569,402</b>
<b>Cash flows from investing activities</b>		
Term deposit investment	(1,177,558)	(569,605)
<b>Net cash flows used in investing activities</b>	<b>(1,177,558)</b>	<b>(569,605)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(578,117)</b>	<b>(203)</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>1,560,756</b>	<b>1,560,959</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>982,639</b>	<b>1,560,756</b>