

# 2011–12 members' report



## **MEMBERSHIP**

During the last financial year, membership grew by 2.6 per cent to 20,150 members, with 62 per cent of these opting for either the Plus or Premium product.

## **FINANCIAL**

AANT had a trading surplus of \$633,000, an increase of \$33,000 over last year's result (\$600,000), with a trading profit (net of \$233,000 investment return) of \$400,000.

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**

Our contractors delivered a total of 19,000 road service call outs for the year (200 more than last year). Of these, 66 per cent were directly for our members, while 22 per cent were to members of interstate constituent clubs, and 12 per cent were other commercial clients.

Direct payments to our contractors for these services totalled \$1.49 million.

## **COMMERCIAL ACTIVITIES**

The Affinity Agreement with the Territory Insurance Office benefits our members with a discount on their insurance premiums on which we received commissions of \$34,000. Travel insurance generated commissions of \$24,000.

Commissions on battery sales increased this year to \$51,000, compared with \$21,500 in 2010–11.

The income generated from our suite of tourism products, which include commissions from Thrifty, Great Southern Rail, theme park and attraction tickets and International Driving Permits grew by 11 per cent to \$160,000 for the year.



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## **PUBLIC POLICY MATTERS**

The AANT continued its advocacy this year with several submissions to Government (NT and the Commonwealth), media releases and radio interviews. The Council regards this as one of our priority areas and utilises the expertise of the RAA and the AAA to provide technical and back-up support in this area.

Prior to the August elections, we asked the major parties a series of questions, and their responses were circulated to our members via *ntmotor* and placed on our website.

We have continued to raise our concerns about fuel pricing in the Northern Territory, where retail margins have more than doubled in the past 12 months.

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

## **INITIATIVES**

The AANT secured funding from the FIA (Fédération Internationale de l'Automobile) and the AAA to develop and run a mentor driving program on Groote Eylandt.

The AAA's keys2drive program, funded by the Commonwealth Government, is now running in the NT and is embedded in the DriveSafe NT course.

In January, members Cheryl Stevens and Gowan Bush, represented the AANT at the Australian Motoring Clubs Golf Challenge at Royal Pines, the RACV-owned resort on the Gold Coast. This will become an annual event.

Our new website was commissioned in November 2011, enabling better access to the AANT for members. Thanks to its flexibility, staff are now producing and distributing a regular e-newsletter.

## **AUSTRALIAN AUTOMOBILE ASSOCIATION (AAA)**

During the year, I represented the AANT on the Board of the AAA attending three meetings – one each in Canberra, Melbourne and, in the company of Mark Sweet, the Annual Conference on Hamilton Island.

I also represented the AANT at the Australian Best Car Award Ceremony.

## **GOVERNANCE**

There was one change in the Council membership this year: 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, Mark Sweet, Mark Rowberry and Daryl Manzie offered themselves for re-election. On behalf of the members, I extend thanks to all members of the Council for your considerable contribution to the Association which is in a purely voluntary capacity.

## **STAFF**

Since Christmas 2010, staff have endured far from ideal working conditions as a major redevelopment and refurbishment of an adjacent building has been undertaken. To ensure our staff remained safe, we retained the services of HSE Management Australia.

The RAA of SA provided one of its senior managers, Michael Kromwyk, to mentor Edon Bell as he continued to develop into his new role of General Manager. This allowed Edon to work through issues, in a confidential setting, and continue to grow in confidence and expertise.

Edon and the staff have provided an outstanding service for the members under challenging circumstances. Their cohesiveness and productivity is noted and acknowledged by the Council.

## **IN CLOSING**

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

With an office move to a high profile retail position in the advanced stages of negotiation, we look forward to celebrating our 50th anniversary this year.



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 2012. 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 2012.

## **PRINCIPAL ACTIVITIES**

The principal activity of the Association during the financial year was the provision of roadside assistance services and other motoring/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 \$633,019 (2011: \$600,705).

## **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 2012;
- (b) the accompanying Balance Sheet presents fairly the financial position of the Association as at 30 June 2012;
- (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: 2 October 2012  
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 2012, and the statement of comprehensive income, 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 2012, and its financial performance and cash flows for the year then ended, in accordance with Australia Accounting Standards and the *Northern Territory of Australia Associations Act*.



**Aminul Islam**

Merit Partners

Date: 4 October 2012  
Darwin

## Income Statement for the year ended 30 June 2012

	2012	2011
	\$	\$
Revenue	3,857,359	3,633,323
Depreciation expense	–	(2,486)
Member services expenses	(2,061,263)	(1,907,667)
Administration fees	(351,000)	(351,000)
Employee benefits	(478,564)	(444,184)
Other expenses	(333,513)	(329,767)
Profit before income tax	633,019	600,705
Income tax expense	–	–
<b>Profit from operations</b>	<b>633,019</b>	<b>600,705</b>

## Balance sheet as at 30 June 2012

	2012	2011
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,609,190	982,639
Trade and other receivables	195,116	187,853
Investments	2,949,796	2,912,569
Inventories	22,510	27,218
<b>Total current assets</b>	<b>4,776,612</b>	<b>4,110,278</b>
<b>Non-current assets</b>		
Plant and equipment	–	–
<b>Total non-current assets</b>	<b>–</b>	<b>–</b>
<b>Total assets</b>	<b>4,776,612</b>	<b>4,110,278</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Subscriptions and income in advance	1,264,290	1,218,652
Trade and other payables	642,634	679,441
Petty cash advance	49,356	27,985
<b>Total current liabilities</b>	<b>1,956,280</b>	<b>1,926,078</b>
<b>Non current liabilities</b>		
Employee provisions	9,948	6,836
<b>Total non-current liabilities</b>	<b>9,948</b>	<b>6,836</b>
<b>Total liabilities</b>	<b>1,966,228</b>	<b>1,932,914</b>
<b>Net assets</b>	<b>2,810,384</b>	<b>2,177,365</b>
<b>Equity</b>		
Retained earnings	2,810,384	2,177,365
<b>Total equity</b>	<b>2,810,384</b>	<b>2,177,365</b>

## ■ 2011–12 members' report

### Statement of changes in equity for the year ended 30 June 2012

	Retained Earnings	Reserves	Total
	\$	\$	\$
<b>Balance at 30 June 2009</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 2010</b>	<b>2,177,365</b>	<b>0</b>	<b>2,177,365</b>
Profit attributable to members	633,019	0	633,019
<b>Balance at 30 June 2011</b>	<b>2,810,384</b>	<b>0</b>	<b>2,810,384</b>

### Cash flow statement for the year ended 30 June 2012

	2012	2011
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from members and customers	3,453,654	3,364,818
Payments to suppliers and employees	(3,186,318)	(3,105,964)
Interest received	221,159	202,503
Commissions received	175,283	138,084
<b>Net cash flows from operating activities</b>	<b>663,778</b>	<b>599,441</b>
<b>Cash flows from investing activities</b>		
Term deposit investment	(37,227)	(1,177,558)
<b>Net cash flows used in investing activities</b>	<b>(37,227)</b>	<b>(1,177,558)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>626,551</b>	<b>(578,117)</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>982,639</b>	<b>1,560,756</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>1,609,190</b>	<b>982,639</b>