

2014–15 members' report

PUBLIC POLICY MATTERS

AANT continued its advocacy this year with several submissions to Government (NT and the Commonwealth), ACCC, media releases and radio interviews. The Council regards this as one of our priority areas and utilises the expertise of the Australian Automobile Association (AAA) and constituent clubs to provide technical and back-up support on matters of national interest.

Of significance this year was AANT's involvement in the Northern Territory Government Fuel Summit. In the lead up to the summit, fuel price margins had escalated to unprecedented levels and the AANT Council made a commitment to finding a viable solution that would benefit members and have a positive impact on the market overall. In May, AANT launched a strategic partnership with United Petroleum to increase competition in the market and as a result of this work, Territorians have enjoyed some of the lowest fuel prices in Australia. Since the launch members have saved over \$200,000.

AANT also had representation on the local Black Spot Consultative Panel, Drivesafe NT and the Road Safety Consultative Committee.

AUSTRALIAN AUTOMOBILE ASSOCIATION (AAA)

During the year, Grant Fenton (AANT Vice President) and I represented AANT on the Board of the AAA. The relationships and ability to share resources and best practice through the association is invaluable and will continue into the future.



GOVERNANCE

This year saw a significant amount of investment into the association and members. As a result AANT produced an operating loss this year; however the full effect of the strategic initiatives undertaken in 2014–15, particularly the fuel discount with United, will be seen in the financial results from 2016–17 onwards. AANT continues to maintain a robust financial position with \$3.48m in total equity.

Councillors this year have remained stable with no changes and by rotation, the three retiring councillors, David Loy, Grant Fenton and Mark Olivetta 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, in a purely voluntary capacity.

The council this year has set a strategic plan for 2015–2020 and as a result has appointed Byron Henderson as AANT's first-ever Chief Executive Officer to lead the strategic direction of the association.

IN CLOSING

With the new structure and strategic plan in place, the continued support of our affiliated interstate clubs and benefits from our investment strategies, we are in a sound position with member services and revenue increasing for growth ahead.

Roadside assistance remains a core product for members. Our staff, once again have been outstanding throughout the year in facing the challenges associated with significant change and their continued commitment to meeting members' needs and expectations. On behalf of the board, I record our thanks to all AANT staff and the roadside contractor network for their dedication and commitment.

As a team we aim to grow and enhance the service, member benefits and member outcomes going forward.

A blue ink signature of David Loy, written in a cursive style.

David Loy
AANT PRESIDENT

aant financials

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 2015. Please note that the full financial report is available online at 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 2015.

COUNCIL MEMBERS

The names of council members during the financial year are as follows:

- Mr David Loy (President effective 21 October 2014)
- Mr Grant Fenton (Vice President effective 21 October 2014)
- Mr Douglas Phillips
- Mr Graeme Buckley
- Ms Suzanne Morgan
- Mr Quentin Kilian (Appointed 24 July 2014)
- Mr Trevor Cox (Appointed 24 July 2014)
- Mr Mark Olivetta (appointed 13 October 2014)
- Mr Daryl Manzie (Resigned 5 August 2014)
- Mr Robert Bradley (Resigned 5 July 2014)
- Ms Kylie Taylor (Resigned 10 July 2014)

PRINCIPAL ACTIVITY

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 net current year loss was \$251,972 (2014: \$292,502 profit).

COUNCIL'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 2015;
- (b) the accompanying Statement of Financial Position presents fairly the financial position of the Association as at 30 June 2015.
- (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.



David Loy
President



Grant Fenton
Vice President

Date:
Darwin

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

We have audited the accompanying financial report of Automotive Association of the Northern Territory Incorporated, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and council members' declaration.

COUNCIL MEMBERS' RESPONSIBILITY FOR THE FINANCIAL REPORT

Council members are 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 control as the council members determine is necessary to enable the preparation and fair presentation 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 about 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 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by council members, 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.

AUDITOR'S OPINION

In our opinion, the financial report presents fairly, in all material respects, the financial position of Automotive Association of the Northern Territory Incorporated as at 30 June 2015, 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*.



**BDO Audit (NT)
C J Sciacca**

Audit Partner
Darwin: 1 October 2015

■ 2014–15 members' report

Income statement for the year ended 30 June 2015		
	2015	2014
	\$	\$
Revenue	4,757,707	4,210,026
Member services expenses	(2,832,544)	(2,130,652)
Administration fees	(588,720)	(464,400)
Employee benefits	(720,667)	(567,947)
Other expenses	(879,778)	(754,863)
Profit before income tax	(264,002)	292,165
Income tax expense	12,030	337
Total income for the year	(251,972)	292,502

Financial position statement as at 30 June 2015		
	2015	2014
	\$	\$
Current assets		
Cash and cash equivalents	1,160,663	1,558,589
Trade and other receivables	161,983	160,543
Investments	3,860,487	3,727,139
Inventories	63,813	33,994
Total current assets	5,246,946	5,480,265
Non-current assets		
Plant and equipment	330,924	301,197
Intangibles	667,360	1,596
Deferred tax asset	16,047	11,911
Total non-current assets	1,014,331	314,704
Total assets	6,261,277	5,794,969
Current liabilities		
Subscriptions and income in advance	1,309,936	1,383,239
Trade and other payables	678,634	566,719
Provisions	84,910	74,208
Loans and Borrowings	158,400	-
Total current liabilities	2,231,880	2,024,166
Non-current liabilities		
Provisions	31,226	27,566
Deferred tax liability	7,071	14,965
Loans and Borrowings	514,800	-
Total non-current liabilities	553,097	42,531
Total liabilities	2,784,977	2,066,697
Net assets	3,476,300	3,728,272
Equity		
Retained earnings	3,476,300	3,728,272
Total equity	3,476,300	3,728,272

Changes in equity statement for the year ended 30 June 2015

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2013	3,435,770	3,435,770
Profit for the period	292,502	292,502
Other comprehensive income / (loss)	-	-
Total comprehensive income for the year	292,502	292,502
Balance at 30 June 2014	3,728,272	3,728,272
Balance at 1 July 2014	3,728,272	3,728,272
Loss for the period	(251,972)	(251,972)
Other comprehensive income / (loss)	-	-
Total comprehensive income / (loss) for the year	(251,972)	(251,972)
Balance at 30 June 2015	3,476,300	3,476,300

Cash flow statement for the year ended 30 June 2015

	2015	2014
	\$	\$
Cash flows from operating activities		
Receipts from members and customers	4,158,310	3,868,997
Payments to suppliers and employees	(4,236,398)	(3,732,457)
Interest received	183,793	181,688
Commissions received	414,163	140,452
Net cash flows from operating activities	519,867	458,680
Cash flows from investing activities		
Term deposit investment	133,348	(450,650)
Purchase of fixed assets	(784,447)	(18,251)
Net cash flows used in investing activities	917,795	(432,399)
Net increase/(decrease) in cash and cash equivalents	397,926	(891,079)
Cash and cash equivalents at beginning of financial year	1,558,589	667,510
Cash and cash equivalents at end of financial year	1,160,663	1,558,589