

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
A.B.N. 14 008 650 628**

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017**

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**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
DIRECTORS' REPORT
AS AT 30 JUNE 2017**

We herein present our report on the state of affairs of the Motor Trades Association of Australia Superannuation Fund Pty Limited (the Company) at 30 June 2017, and on the results for the year then ended.

Principal Activity

The principal activity of the Company during the course of the year was to act as Trustee for the MTAA Superannuation Fund (the Fund).

Operating Result

In its capacity as Trustee, the Company incurs certain expenditure for which it is fully reimbursed from the Fund.

Key management personnel disclosures

The following were key management personnel during all or part of the reporting period:

Independent Chairman

J. Brumby

Independent Directors

V. L. Allen (ceased 28 February 2017)

S. Dahn

A. O'Donnell (appointed 1 March 2017)

Employer Nominated Directors

D. A. Rowland*

P. Perdikaris*

B. Hatcher*

Employee Nominated Directors

R. O'Donnell*

D. Smith*

S. Walpole*

Executives

L. Turner (Chief Executive Officer)

M. Sykes* (Deputy Chief Executive Officer & Executive Manager, Finance)

P. Brown (Executive Manager, Investments)

C. Porter* (Executive Manager, Operations)

M. Irving* (Executive Manager, Marketing, Communications, Education & Advice)

T. Jarosz (Executive Manager, Governance)

* These persons are members of MTAA Superannuation Fund. Their membership terms and conditions are the same as those applied to other members of the Fund.

Compensation of Key Management Personnel

Compensation of the Trustee's Directors and executives as listed above was:

	30-Jun-17	30-Jun-16
	\$	\$
Short-term employee benefits	2,259,789	2,228,285
Post-employment benefits	<u>209,521</u>	<u>194,006</u>
	<u>2,469,310</u>	<u>2,422,291</u>

All key management personnel are being remunerated from MTAA Superannuation Fund (Secretariat Co.) Pty Limited and are also reimbursed for reasonable expenses incurred in carrying out their duties for the Trustee.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
DIRECTORS' REPORT
AS AT 30 JUNE 2017**

Significant changes in state of affairs

During the financial year there was no significant change in the state of affairs of the entity other than that referred to in the Financial Report or notes thereto.

Events Subsequent to Balance Date

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, which has significantly affected, or may significantly affect, the operation of the Company, the result of those operations, or the state of affairs of the Company.

Future developments

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.

Dividends

No amounts have been paid or are recommended to be paid by way of dividend during the financial year.

Indemnification of directors, officers and auditors

During the financial year, the Fund paid a premium in respect of a contract insuring the Directors of the Company (as named above) and all executive officers of the Company against a liability incurred as such Director or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify a Director, Officer or Auditor of the Company or of any related body corporate against a liability incurred as such by a Director, Officer or Auditor.

Auditor's Independence Declaration

The Auditor's independence declaration is attached to the Financial Statements.

Signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors



Director



Director

20 September 2017

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

	Notes	30-Jun-17 \$	30-Jun-16 \$
Current assets			
Cash		11	11
Prepayments		175,964	170,815
Total current assets		<u>175,975</u>	<u>170,826</u>
Total assets		<u>175,975</u>	<u>170,826</u>
Current liabilities			
Other payables	5	175,964	170,815
Total current liabilities		<u>175,964</u>	<u>170,815</u>
Total liabilities		<u>175,964</u>	<u>170,815</u>
Net assets		<u>11</u>	<u>11</u>
Equity			
Contributed equity	4	11	11
Retained earnings		0	0
Total equity		<u>11</u>	<u>11</u>

The accompanying notes form an integral part of these financial statements.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017**

	30-Jun-17	30-Jun-16
	\$	\$
Revenue from ordinary activities - reimbursement from MTAA Superannuation Fund	210,839	201,610
Less Expenditure:		
Insurance	195,953	194,021
Legal	0	587
Trustee expenses	14,886	7,002
Profit for the year	<u>0</u>	<u>0</u>
Profit for the year attributable to:		
Motor Trades Association of Australia Ltd	0	0
Other comprehensive income	<u>0</u>	<u>0</u>
Total comprehensive income for the financial year	<u>0</u>	<u>0</u>
Total comprehensive income for the year is attributable to:		
Motor Trades Association of Australia Ltd	0	0

The accompanying notes form part of these financial statements.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

	Contributed equity	Retained earnings	Total
	\$	\$	\$
Balance at 30 June 2015	11	0	11
Other comprehensive income	0	0	0
Total comprehensive income	0	0	0
Balance at 30 June 2016	11	0	11
Other comprehensive income	0	0	0
Total comprehensive income	0	0	0
Balance at 30 June 2017	11	0	11

The accompanying notes form part of these financial statements.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	30-Jun-17	30-Jun-16
	\$	\$
Cash flows from operating activities		
Revenue from ordinary activities	207,646	204,401
Insurance	(192,760)	(196,812)
Legal	0	(587)
Trustee expenses	(14,886)	(7,002)
Net cash inflow from operating activities	0	0
Net decrease in cash held	0	0
Cash at the beginning of the financial year	11	11
Cash at the end of the financial year	11	11

The accompanying notes form part of these financial statements.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This is a special purpose financial report which has been prepared for the sole purpose of complying with the Corporations Act 2001 requirements to prepare and distribute a financial report to members and must not be used for any other purpose. The Directors have determined that the accounting policies are appropriate to meet the needs of the members.

The requirements of Accounting Standards and other professional reporting requirements in Australia do not have mandatory applicability to Motor Trades Association of Australia Superannuation Fund Pty Ltd (the Company) in relation to the year ended 30 June 2017 because it is not a "reporting entity". The Directors have, however, prepared the financial report in accordance with all Accounting Standards and other professional reporting requirements in Australia, with the following exceptions:

AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards

AASB 7: Financial Instruments: Disclosures

AASB 124: Related Party Disclosures

AASB 127: Separate Financial Statements

AASB 132: Financial Instruments: Presentation

(b) Trustee obligations

The Company in its capacity as Trustee incurs liabilities on behalf of MTAA Superannuation Fund. During the year, all liabilities incurred by the Company have been in accordance with the Trust Deed. In respect of the Trustee liabilities, the Company has a right to be indemnified out of the assets of the Fund.

These financial statements have been prepared for the Trustee Company and as such do not record the assets and liabilities of the Fund. At balance date, the assets of the Fund are sufficient to meet its liabilities. The assets of the Fund are not available to meet any liabilities of the Company in its own right.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

(d) Cash & cash equivalents

For statement of cash flows presentation purpose, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(e) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement no more than 30 days from the date issued.

(f) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting period and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations are not seen significant.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

3. NATURE OF THE COMPANY

The Company is the Trustee of the MTAA Superannuation Fund.

In its capacity as Trustee, the Company incurs certain expenditure for which it is fully reimbursed by the Fund.

4. CONTRIBUTED EQUITY

	30-Jun-17	30-Jun-16
	\$	\$
Ordinary shares - 11 shares of \$1 each, fully paid	<u>11</u>	<u>11</u>
Total issued equity	<u>11</u>	<u>11</u>

Ordinary shareholders have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

5. OTHER PAYABLES

	30-Jun-17	30-Jun-16
	\$	\$
GST payable	660	3,853
Creditor - MTAA Superannuation Fund (related party)	<u>175,304</u>	<u>166,962</u>
	<u>175,964</u>	<u>170,815</u>

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

6. RELATED PARTIES

Key management personnel disclosures

The following were key management personnel during all or part of the year:

Non-executive directors

The following persons held the position of Director of the Company during the financial year:

Independent Chairman

J. Brumby

Independent Directors

V. L. Allen (ceased 28 February 2017)

S. Dahn

A. O'Donnell (appointed 1 March 2017)

Employer Nominated Directors

D. A. Rowland*

P. Perdikaris*

B. Hatcher*

Employee Nominated Directors

R. O'Donnell*

D. Smith*

S. Walpole*

Executives

L. Turner (Chief Executive Officer)

M. Sykes* (Deputy Chief Executive Officer & Executive Manager, Finance)

P. Brown (Executive Manager, Investments)

C. Porter* (Executive Manager, Operations)

M. Irving* (Executive Manager, Marketing, Communications, Education & Advice)

T. Jarosz (Executive Manager, Governance)

* These persons are members of MTAA Superannuation Fund. Their membership terms and conditions are the same as those applied to other members of the Fund.

Compensation of Key Management Personnel

The Trustee Directors are remunerated for their services to the Trustee and the Fund. Directors are paid an annual fixed amount.

	30-Jun-17	30-Jun-16
	\$	\$
Short-term employee benefits	2,259,789	2,228,285
Post-employment benefits	209,521	194,006
	<u>2,469,310</u>	<u>2,422,291</u>

All key management personnel are being remunerated from MTAA Superannuation Fund (Secretariat Co.) Pty Limited and are also reimbursed for reasonable expenses incurred in carrying out their duties for the Trustee.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

6. RELATED PARTIES (CONTINUED)

Compensation of Key Management Personnel (continued)

Details of the remuneration in bands for the Trustee's Directors are outlined in the table below:

Remuneration band	30-Jun-17	30-Jun-16
	\$	\$
\$0 - \$25,000	0	0
\$25,001 - \$50,000	1	0
\$50,001 - \$75,000	1	0
\$75,001 - \$100,000	7	8
\$100,001 - \$125,000	0	0
\$125,001 - \$150,000	0	1
\$150,001 - \$175,000	1	0
	<u>10</u>	<u>9</u>

Details of the remuneration in bands for the Fund's Executives are outlined in the table below:

Remuneration band	30-Jun-17	30-Jun-16
	\$	\$
\$0 - \$175,000	0	0
\$175,001 - \$225,000	2	2
\$225,001 - \$275,000	2	3
\$275,001 - \$325,000	1	0
\$325,001 - \$400,000	0	0
\$400,001 - \$475,000	1	1
	<u>6</u>	<u>6</u>

Related party transactions

Motor Trades Association of Australia Ltd ("MTAA Ltd") is an employer sponsor to the Fund and the shareholder of the Trustee. There were no services acquired from or payments to MTAA Ltd in the current reporting period .

The Trustee is fully reimbursed from the Fund for all expenditure incurred on its behalf.

7. REMUNERATION OF AUDITORS

	30-Jun-17	30-Jun-16
	\$	\$
Remuneration for audit of the financial report of the Company:		
Auditor of the Company - Deloitte Touche Tohmatsu	3,180	3,183
Remuneration for audit of Australian Financial Service License and audit of registrable Superannuation Entity License:		
Auditor of the Company - Deloitte Touche Tohmatsu	6,365	6,365
Total auditor remuneration	<u>9,545</u>	<u>9,548</u>

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

8. CONTINGENT ASSETS AND LIABILITIES

The Company did not have any contingent assets or contingent liabilities as at 30 June 2017 (2016:nil).

9. SUBSEQUENT EVENTS

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, which has significantly affected, or may significantly affect, the operation of the Company, the result of those operations, or the state of affairs of the Company.

10. ADDITIONAL COMPANY INFORMATION

Motor Trades Association of Australia Superannuation Fund Pty Limited is a company limited by shares, domiciled in Australia.

Its registered office and principal place of business is:

Motor Trades Association of Australia Superannuation Fund Pty Limited
39 Brisbane Avenue
BARTON ACT 2600

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2017**

As detailed in note 1(a) to the financial statements, the company is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specially all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the directors' reporting requirements under the Corporations Act 2001.

The directors declare that:

- (a) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors



Director



Director

20 September 2017

Independent Auditor's Report to the members of Motor Trades Association of Australia Superannuation Fund Pty Limited

Opinion

We have audited the financial report, being a special purpose financial report, of Motor Trades Association of Australia Superannuation Fund Pty Limited. which comprises the statement of financial position as at 30 June 2017, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Motor Trades Association of Australia Superannuation Fund Pty Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in note 1 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors' report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the directors. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Deloitte.

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

David Salmon

David Salmon
Partner
Chartered Accountants
Canberra, 20 September 2017

The Directors
Motor Trades Association of Australia
Superannuation Fund Pty Limited
Motor Trades Association House
39 Brisbane Avenue
Barton ACT 2600

20 September 2017

Dear Directors,

Motor Trades Association of Australia Superannuation Fund Pty Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Motor Trades Association of Australia Superannuation Fund Pty Limited.

As lead audit partner for the audit of the financial statements of Motor Trades Association of Australia Superannuation Fund Pty Limited for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

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DELOITTE TOUCHE TOHMATSU

David Salmon

David Salmon
Partner
Chartered Accountants