

**THE MTA GROUP TRAINING SCHEME INC**

**ABN 36 459 968 347**

**Reg. No. A0019094A**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2014**

THE MTA GROUP TRAINING SCHEME INC.

ABN 36 459 968 347

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2014

	Notes	2014 \$	2013 \$
Operating Income	2	20,024,135	18,424,048
<b>Revenue from ordinary activities</b>		<b>20,024,135</b>	<b>18,424,048</b>
Office & Administration Costs		1,838,173	1,511,512
Audit Fees		31,300	24,700
Motor Vehicles and Repairs		76,133	69,642
Occupancy Costs		641,548	590,275
Salaries, Wages & Associated Costs	3	16,781,705	16,025,664
Staff Related Costs		221,299	268,912
Training & Materials		230,796	206,568
Other Expenses		116,355	30,245
Loss on disposal - Plant & Equipment		14,732	-
<b>Costs from ordinary activities</b>		<b>19,952,041</b>	<b>18,727,518</b>
<b>Operating surplus/(deficit) from operating activities</b>		<b>72,094</b>	<b>(303,470)</b>
Net Finance Income	4	843,938	126,803
<b>Surplus/(deficit) for period</b>		<b>916,032</b>	<b>(176,667)</b>
<b>Other comprehensive income for the period</b>		-	-
<b>Total comprehensive income/(deficit) for the period</b>		<b>916,032</b>	<b>(176,667)</b>

The accompanying notes set out on pages 6 to 16 are to be read in conjunction with these financial reports.

THE MTA GROUP TRAINING SCHEME INC.

ABN 36 459 968 347

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2014

	2014	2013
<b>Accumulated Surplus:</b>	\$	\$
Opening Balance	9,334,133	9,510,800
Net surplus/(deficit) for the period	916,032	(176,667)
Other comprehensive income for the period	-	-
<b>Total Equity at the end of the year</b>	<b>10,250,165</b>	<b>9,334,133</b>

The accompanying notes set out on pages 6 to 16 are to be read in conjunction with these financial reports.

# THE MTA GROUP TRAINING SCHEME INC.

ABN 36 459 968 347

## STATEMENT OF FINANCIAL POSITION

**AS AT 31 MARCH 2014**

	Notes	2014 \$	2013 \$
<b>Assets</b>			
Cash and cash equivalents	5	1,341,058	918,605
Investments	6	1,897,521	1,824,230
Trade and other receivables	7	2,095,347	4,866,185
Inventories		6,829	9,648
<b>Total current assets</b>		<b>5,340,755</b>	<b>7,618,668</b>
<b>Non-current assets</b>			
Plant & Equipment	8	3,513,019	3,770,744
Trade and other receivables	7	3,524,773	-
<b>Total non-current assets</b>		<b>7,037,792</b>	<b>3,770,744</b>
<b>Total Assets</b>		<b>12,378,547</b>	<b>11,389,412</b>
<b>Liabilities</b>			
Trade and other payables	9	1,440,420	1,456,245
Employee benefits	10	687,962	599,034
<b>Total current liabilities</b>		<b>2,128,382</b>	<b>2,055,279</b>
<b>Total non-current liabilities</b>		-	-
<b>Total Liabilities</b>		<b>2,128,382</b>	<b>2,055,279</b>
<b>Net Assets</b>		<b>10,250,165</b>	<b>9,334,133</b>
<b>Equity</b>			
Accumulated Surplus		10,250,165	9,334,133
<b>Total Equity</b>		<b>10,250,165</b>	<b>9,334,133</b>

The accompanying notes set out on pages 6 to 16 are to be read in conjunction with these financial reports.

THE MTA GROUP TRAINING SCHEME INC.

ABN 36 459 968 347

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 \$	2013 \$
<b>Cash flows from operating activities</b>			
Cash receipts from customers and grants		21,778,632	20,465,968
Cash paid to suppliers and employees		(21,333,634)	(19,966,684)
		444,998	499,284
Interest received		297,120	65,832
<b>Net cash from operating activities</b>		<b>742,118</b>	<b>565,116</b>
<b>Cash flows from investing activities</b>			
Acquisition of plant and equipment		(378,556)	(582,474)
Proceeds on sale of fixed assets		132,182	114,831
Acquisitions of investments		(1,897,521)	(1,206,918)
Proceeds from disposal of investments		1,824,230	1,179,489
<b>Net Cash used in investing activities</b>		<b>(319,665)</b>	<b>(495,072)</b>
Net increase in cash and cash equivalents		422,453	70,044
Cash and cash equivalents at 1 April 2013		918,605	848,561
Cash and cash equivalents at 31 March 2014	5	<b>1,341,058</b>	<b>918,605</b>

The accompanying notes set out on pages 6 to 16 are to be read in conjunction with these financial reports.

# THE MTA GROUP TRAINING SCHEME INC.

ABN 36 459 968 347

Notes to the financial statements

## **Note 1. Significant accounting policies**

The MTA Group Training Scheme Inc. (the "Association") is a not for profit entity domiciled in South Australia. The MTA Group Training Scheme Inc. employs and trains apprentices in the motor trade industry. The Association is a controlled entity of The Motor Trade Association of South Australia Inc. The financial report was authorised for issue by the Directors on 17<sup>th</sup> June 2014.

### **(a) Statement of compliance**

The Association 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<sup>st</sup> April 2010 to prepare Tier 2 general purpose financial statements.

The financial report of the Association is a Tier 2 general purpose financial statement which has been prepared in accordance with Australian Accounting Standards, Reduced Disclosure Requirements (AASB-RDR's) adopted by the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act 1985 (as amended).

### **(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 – Reduced Disclosure Requirements 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.

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 Directors for the Group Training Scheme the development, selection and disclosure of the Association's critical accounting policies and estimates and the application of these policies and estimates.

### **(d) Plant and equipment**

#### **(i) Owned assets**

Items of plant and equipment are stated at cost (or deemed cost) less accumulated depreciation (see below) and impairment losses (see accounting policy h).

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Expenditure on fixed assets of less than \$1,000 is expensed when incurred except for Apprentice Tool Kits, which are capitalised even if below \$1,000.

# THE MTA GROUP TRAINING SCHEME INC.

ABN 36 459 968 347

Notes to the financial statements

## Note 1. Significant accounting policies (continued)

### (ii) Subsequent costs

The Association recognises in the carrying amount of an item of plant and equipment the cost of replacing part of such item when the cost is incurred if it is probable that the future economic benefit embodied within the item will flow to the Association and the cost of the item can be reliably measured. All other costs are recognised in profit and loss as an expense as incurred.

### (iii) Depreciation

The depreciable amount of all fixed assets are depreciated over the estimated economic life of the asset to the Association 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.

All assets are depreciated using the straight line method from the date of the acquisition, except motor vehicles and leasehold improvements which are depreciated using the reducing balance method.

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 for the current and comparable period are as follows:

<b>Asset Class</b>	<b>Depreciation Rate</b>
Plant & Equipment	10 to 36%
Furniture & Fittings	10 to 30%
Motor Vehicles	22.5 to 25%
Apprentice Tool Kits	25%
Capitalised Leased Assets	20 to 33%
Leasehold Improvements	2.5% to 10%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted as appropriate.

### (e) Trade and other receivables

Trade and other receivables, to be settled within 30 days, are initially recognised at their fair value and subsequently measured at amortised cost less impairment losses (see accounting policy h).

Bad debts are written off when they are identified.

### (f) Inventories

Inventories consist of apprentice tool kits, safety equipment and course delivery materials 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.

### (g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank.

# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements

## **Note 1. Significant accounting policies (continued)**

### **(h) Impairment**

The carrying amounts of the Association's assets, other than inventories (see accounting policy f), 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.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit and loss.

### **(i) Calculation of recoverable amount**

The recoverable amount of the Association's non-current receivables 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.

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 the normal course of business.

### **(ii) Reversals of impairment**

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **(i) Income Tax**

The MTA Group Training Scheme Inc., is exempt from income tax pursuant to section 50 -5 of the Income Tax Assessment Act 1997.



# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements

## **Note 1. Significant accounting policies (continued)**

### **(j) Employee benefits**

#### **(i) Defined Contribution plans**

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

#### **(ii) Long-term service benefits**

The Association's net obligation in respect of long-term service benefits, other than defined contribution 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 Association's obligations.

#### **(iii) Wages, salaries, and annual leave.**

Liabilities for employee benefits for wages, salaries and annual leave that are expected to settle within 12 months of the reporting date represent obligations resulting from employees' services provided to reporting date.

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 Association's experience is that the majority of annual leave is taken as accrued, and future wage increases are incorporated into the provision calculation.

No provision is made for sick leave, which although cumulative is non-vesting. However it is vesting for apprentices in the final year of their apprenticeship. As per their employment contract, the apprentice is only entitled to a portion of sick leave upon completion of their apprenticeship. No provision is raised as this is not deemed material.

### **(k) Provisions**

A provision is recognised in the Statement of Financial Position when the Association 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.

### **(l) Trade and other payables**

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost. Trade accounts payable, are non-interest bearing and normally settled within 30 days.

### **(m) Interest Rate Risk**

The Association has exposure to interest rate risk through its term deposits. Information about the term deposits is set out in note 6.

# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements

## **Note 1. Significant accounting policies (continued)**

### **(n) Revenue**

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

Revenue from services rendered is recognised in profit and loss in proportion to the stage of completion of the transaction at reporting date. The stage of completion is assessed by reference to survey of works performed.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

#### **(ii) Government grants**

Grants constituting non-reciprocal transfers received from the Government are recognised as income when the Association takes control of the benefit. A non-reciprocal transfer is one which the Association 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 Association 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.

### **(o) 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.

### **(p) Changes in accounting policies**

#### **Presentation of transactions recognised in other comprehensive income**

From 1 April 2013 the Association applied amendments to AASB 101 Presentation of Financial Statements outlines in AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income. The change in accounting policy only relates to disclosures and has not impacted on net income. The changes have been applied retrospectively and require the Association to separately present those items of other comprehensive income that may be reclassified to profit or loss in the future from those that will never be reclassified to profit or loss. The Association did not have any transactions through other comprehensive income in the current or prior year.

# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements (continued)

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 2. Operating Income</b>		
Apprentice hire fees	16,686,433	15,455,215
Industry support	12,348	22,439
Government grants & subsidies – Apprentices & Trainees	3,220,368	2,861,479
Gain on disposal of Plant & Equipment	-	10,985
Other revenue	104,986	73,930
Revenue from Operating Activities	20,024,135	18,424,048
 <b>Note 3. Personnel expenses</b>		
Wages and salaries	14,731,680	14,185,138
Superannuation	1,208,357	1,148,636
Employee On costs	841,668	691,890
	16,781,705	16,025,664
 <b>Note 4. Net financing income</b>		
Interest income	106,013	126,803
Related Party Interest	737,925	-
	843,938	126,803
 <b>Note 5. Cash and cash equivalents</b>		
Cash on hand	500	500
Cash at bank	1,340,558	918,105
Balance as per Statement of Cash Flows	1,341,058	918,605
 <b>Note 6. Investments</b>		
Term Deposits	1,897,521	1,824,230
Westpac Banking Corporation matures 3 July 14	\$1,289,308	
Westpac Banking Corporation matures 20 Nov 14	\$608,213	

# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements (continued)

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 7. Trade and other receivables</b>		
<b>Current</b>		
Trade receivables	1,430,962	1,282,857
less Provision for doubtful debts	-	(11,974)
	1,430,962	1,270,883
Loan to parent <sup>(1)</sup>	-	3,000,000
Sundry receivables	596,551	521,610
Prepayments	67,834	73,692
	2,095,347	4,866,185
<b>Non-current</b>		
Loan to parent <sup>(1)</sup>	3,524,773	-
	3,524,773	-

- <sup>1)</sup> In the loan agreement between The MTA Group Training Scheme Inc. and The Motor Trade Association of South Australia Inc. interest is charged at the bank rate plus 1%. The loan to parent is repayable within 90 days upon written request being made by the lender. At 31 March 2014 the MTA Group Training Scheme Inc. does not plan to call the loan within the next 12 months therefore the loan is classified as a non-current asset at 31 March 2014.

# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements (continued)

## Note 8.

### Plant and Equipment

	Plant and Equipment	Furniture and fittings	Motor vehicles	Apprentice tool kits	Work in progress	Leasehold Improvements & Heavy Workshop	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost</b>							
Balance at 1 April 2012	1,307,685	182,212	517,806	600,114	18,811	3,052,043	5,678,671
Acquisitions	137,149	10,603	109,799	158,449	49,712	116,762	582,474
Transfers	59,038	-	(115,263)	-	-	56,225	-
Disposals	(78,511)	-	(82,496)	(138,980)	(40,842)	(16,250)	(357,079)
Balance at 31 March 2013	1,425,361	192,815	429,846	619,583	27,681	3,208,780	5,904,066
Balance at 1 April 2013	1,425,361	192,815	429,846	619,583	27,681	3,208,780	5,904,066
Acquisitions	49,711	1,539	221,143	93,507	-	28,913	394,813
Disposals	(64,632)	(32,510)	(185,201)	(167,277)	(27,681)	-	(477,301)
Balance at 31 March 2014	1,410,440	161,844	465,788	545,813	-	3,237,693	5,821,578
<b>Depreciation and impairment</b>							
Balance at 1 April 2012	1,051,252	156,783	118,302	287,358	-	282,426	1,896,121
Depreciation charge for the year	89,271	10,459	82,422	137,069	-	160,228	479,449
	(7,692)	-	(5,474)	-	-	13,166	-
Disposals	(78,511)	-	(40,385)	(123,352)	-	-	(242,248)
Balance at 31 March 2013	1,054,320	167,242	154,865	301,075	-	455,820	2,133,322
Balance at 1 April 2013	1,054,320	167,242	154,865	301,075	-	455,820	2,133,322
Depreciation charge for the year	102,814	11,427	89,222	138,040	-	164,122	505,625
Disposals	(64,632)	(32,510)	(93,342)	(139,904)	-	-	(330,388)
Balance at 31 March 2014	1,092,502	146,159	150,745	299,211	-	619,942	2,308,559
<b>Carrying amounts</b>							
At 1 April 2012	256,433	25,429	399,504	312,756	18,811	2,769,617	3,782,550
At 31 March 2013	371,041	25,573	274,981	318,508	27,681	2,752,960	3,770,744
At 1 April 2013	371,041	25,573	274,981	318,508	27,681	2,752,960	3,770,744
At 31 March 2014	317,938	15,685	315,043	246,602	-	2,617,751	3,513,019

# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements (continued)

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 9. Trade and other payables</b>		
Trade payables and accruals	1,440,420	1,456,245
	1,440,420	1,456,245

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 10. Employee benefits</b>		
Current		
Liability for annual leave	682,251	595,105
Liability for long service leave	-	-
Salary and wages accrued	5,711	3,929
	687,962	599,034

**Note 10. Contingencies**

	<b>2014</b>	<b>2013</b>
	\$	\$
Estimates of the maximum amount of contingent obligation that may become payable	1,716,000	3,015,000

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 MTA Group Training Scheme Inc. would be \$1,716,000 (2013:\$1,656,000).

In December 2010, the MTA Group Training Scheme Inc. 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. No such event occurred at three years of completion.

**Note 11. Subsequent Event**

Other than the matters disclosed in the other notes to the financial report, 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 Association, the results of those operations, or the state of affairs of the Association in future financial years.

# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements (continued)

## **Note 12. Related Parties – key management personnel disclosures**

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

Neville Gibb	George Papillo 1 Apr 13 – 08 Aug 13
Frank Agostino	Clive Polley
John Zulian	Danny Shane
Peter Roberts	Ron Lewis 19 Nov – 31 Mar 14
	Hillar Puvli 16 Aug 13 – 17 Oct 13

The non-executive Directors have not received any remuneration during the year (except travel cost reimbursement).

### **13. Related party transactions**

	<b>2014</b>	<b>2013</b>
	\$	\$
<u>Statement of Profit or Loss and Other Comprehensive Income</u>		
Related Party Interest	737,925	-
	737,925	-

Management fees, staff salaries and on costs relate to time spent by Motor Trade Association of SA staff on MTA-Group Training Scheme related issues and are as follows:

	<b>2014</b>	<b>2013</b>
	\$	\$
Management Fees	692,500	450,000
Staff Salaries and on costs	2,602,785	2,696,786
	3,295,285	3,146,786

Other related party transactions relate to services provided by Motor Trade Association of SA to MTA Group Training Scheme and are as follows:

Rental of 3 Frederick Road	513,600	490,000
Printing sales	89,046	190,352
Provision of services for governments grants	583,886	302,843
	4,481,817	4,129,981

	<b>2014</b>	<b>2013</b>
	\$	\$
<u>Statement of Financial Position</u>		
Trade and other payables <b>Note 9</b>	(658,010)	(485,062)
Trade and other receivables <b>Note 7</b>	94,130	82,997
Related party receivable <b>Note 7</b>	3,524,773	3,000,000

# THE MTA GROUP TRAINING SCHEME INC.

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Notes to the financial statements (continued)

No member of the Board of Directors has entered into a material contract with the Association since the end of the previous financial year and there were no material contracts involving Board of Directors' interests existing at year-end.

## **Note 14. Association details**

The principal place of business of the Association is:  
3 Frederick Road, Royal Park, South Australia.

## **Note 15. Principal activities**

The principal activities of the Association during the financial year were:

- Employment of automotive trades apprentices,
- Employment of trainees,
- Provision of recognised training to employees, employed under contracts of training,
- Provision of workplace training to employees, employed under contracts of training, and
- Provision of post qualification, trade training.



# THE MTA GROUP TRAINING SCHEME INC.

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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	2014	2013
	\$ -	\$ -

Signed pursuant to a resolution of the Board of Directors

Chairman

  
\_\_\_\_\_  
Neville Gibb

Director

  
\_\_\_\_\_  
John Zulian

Dated this 17<sup>th</sup> day of June 2014

# THE MTA GROUP TRAINING SCHEME INC.


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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:-

- (a) 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 2013/2014 financial year: and
- (b) The Board has reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due: and
- (c) That the Association has no subsidiary: and
- (d) That the Association is not a trustee of a trust.

Signed pursuant to a resolution of the Board of Directors

Chairman

  
Neville Gibb

Director

  
John Zulian

Dated this 17<sup>th</sup> day of June 2014



## **Independent auditor's report to the members of The MTA Group Training Scheme Inc.**

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

We have audited the accompanying financial report of The MTA Group Training Scheme Inc. (the Association), which comprises the statement of financial position as at 31 March 2014, statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, notes 1 to 15 comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Board of Directors.

### ***Director's responsibility for the financial report***

The Association's directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act 1985* (as amended), and for such internal control as the directors 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 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 the directors, 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 Australian Accounting Standards – Reduced Disclosure Requirements and *Associations Incorporation Act 1985* (as amended) requirements, a view which is consistent with our understanding of the Association's financial position, and of its performance.

We believe that the audit evidence 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 Accounting Professional and Ethical Standards Board.



*Auditor's opinion*

In our opinion, the financial report of The MTA Group Training Scheme Inc. is properly drawn up so as to present fairly, in all material respects, the financial position of the Association as at 31 March 2014, and its financial performance and its cash flows for the year then ended in accordance with the *Associations Incorporation Act 1985* (as amended) and Australian Accounting Standards – Reduced Disclosure Requirements.

KPMG

Darren Ball  
*Partner*

Adelaide

17 June 2014