

**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 2019**

TABLE OF CONTENTS

	Page
Directors' Report	3 - 4
Statement of Financial Position	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 11
Directors' Declaration	12
Auditor's Report	13 - 14

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
DIRECTORS' REPORT
AS AT 30 JUNE 2019**

The Directors present this report on the state of affairs of the Motor Trades Association of Australia Superannuation Fund Pty Limited (the Company) together with the financial results for the year ended 30 June 2019.

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 Directors were key management personnel during all or part of the reporting period up to the signing date:

Independent Chairman

J. Brumby

Independent Directors

S. Dahn

A. O'Donnell

Employer Nominated Directors

D. A. Rowland*

P. Perdikaris*

B. Hatcher* (ceased 28 February 2019)

P. Savige*

G. Lowe* (appointed 1 March 2019)

Employee Nominated Directors

R. O'Donnell*

D. Smith*

S. Walpole*

The following executive officers were key management personnel during all or part of the reporting period up to the signing date:

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) (ceased being a responsible person on 27 April 2018 and ceased employment on 20 July 2018)

* 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.

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

	30 June 2019	30 June 2018
	\$	\$
Short-term employee benefits	2,230,138	2,372,478
Post-employment benefits	190,339	205,975
Long-term benefits	56,830	49,983
	<u>2,477,307</u>	<u>2,628,436</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 2019**

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.

Events Subsequent to Balance Date

There has not been any matter or circumstance, other than that referred to in the financial statements or notes, 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

The shares of the Company are currently held with Motor Trades Association of Australia Ltd. However, subject to approval from APRA (Australian Prudential Regulation Authority), the shares of Motor Trades Association of Australia Superannuation Fund Pty Limited (the Company) will be transferred from Motor Trades Association of Australia Ltd to each of the directors of the Company. The beneficial interest in the shares will remain unchanged as the Directors will hold the shares on trust for members of the MTAA Superannuation Fund. The nature of the Company will remain the same as described in the financial statements and will continue to act as the Trustee of MTAA Superannuation Fund.

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.

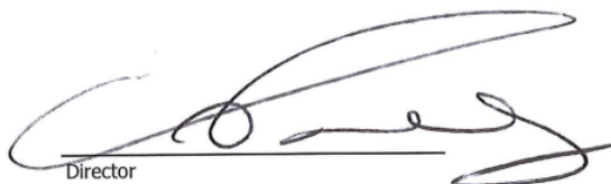
The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify a Director, Officer or Auditor of the Company or of any related body corporate against a liability incurred as such by a Director, Officer or Auditor.

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

30 August 2019

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	Notes	30 June 2019 \$	30 June 2018 \$
Current assets			
Cash		11	11
Prepayments		25,472	188,064
Total current assets		25,483	188,075
Total assets			
		25,483	188,075
Current liabilities			
Other payables	5	25,472	188,064
Total current liabilities		25,472	188,064
Total liabilities			
		25,472	188,064
Net assets			
		11	11
Equity			
Contributed equity	4	11	11
Retained earnings		-	-
Total equity		11	11

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 2019**

	30 June 2019	30 June 2018
	\$	\$
Revenue from ordinary activities - reimbursement from MTAA Superannuation Fund	221,189	206,510
Less Expenditure:		
Insurance	213,539	202,577
Trustee expenses	7,650	3,933
Profit for the year	<u>-</u>	<u>-</u>
Profit for the year attributable to:		
Motor Trades Association of Australia Ltd	-	-
Other comprehensive income	-	-
Total comprehensive income for the financial year	<u>-</u>	<u>-</u>
Total comprehensive income for the year is attributable to:		
Motor Trades Association of Australia Ltd	-	-

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 2019**

	Contributed equity \$	Retained earnings \$	Total \$
Balance at 30 June 2017	11	-	11
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
Balance at 30 June 2018	11	-	11
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
Balance at 30 June 2019	11	-	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 2019**

	30 June 2019	30 June 2018
	\$	\$
Cash flows from operating activities		
Revenue from ordinary activities	221,189	207,170
Insurance	(213,539)	(203,237)
Trustee expenses	(7,650)	(3,933)
Net cash inflow from operating activities	-	-
Net decrease in cash held	-	-
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 2019**

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 2019 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.

2. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 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 as significant.

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 June 2019	30 June 2018
	\$	\$
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 shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

The shares of the Company are currently held with Motor Trades Association of Australia Ltd. However, subject to approval from APRA (Australian Prudential Regulation Authority), the shares of Motor Trades Association of Australia Superannuation Fund Pty Limited (the Company) will be transferred from Motor Trades Association of Australia Ltd to each of the directors of the Company. The beneficial interest in the shares will remain unchanged as the Directors will hold the shares on trust for members of the MTAA Superannuation Fund. The nature of the Company will remain the same as described in the financial statements and will continue to act as the Trustee of MTAA Superannuation Fund.

**MOTOR TRADES ASSOCIATION OF AUSTRALIA
SUPERANNUATION FUND PTY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

5. OTHER PAYABLES

	30 June 2019	30 June 2018
	\$	\$
Creditor - MTAA Superannuation Fund (related party)	25,472	188,064
	25,472	188,064

6. RELATED PARTIES

Key management personnel disclosures

The following Directors were key management personnel during all or part of the reporting period up to the signing date:

Independent Chairman

J. Brumby

Independent Directors

S. Dahn

A. O'Donnell

Employer Nominated Directors

D. A. Rowland*

P. Perdikaris*

B. Hatcher* (ceased 28 February 2019)

P. Savige*

G. Lowe* (appointed 1 March 2019)

Employee Nominated Directors

R. O'Donnell*

D. Smith*

S. Walpole*

The following executive officers were key management personnel during all or part of the reporting period up to the signing date:

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) (ceased being a responsible person on 27 April 2018 and ceased employment on 20 July 2018)

* 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.

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

	30 June 2019	30 June 2018
	\$	\$
Short-term employer benefits	2,230,138	2,372,478
Post-employment benefits	190,339	205,975
Long-term benefits	56,830	49,983
	2,477,307	2,628,436

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 2019**

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 June 2019	30 June 2018
	\$	\$
Remuneration for audit of the financial report of the Company, Australian Financial Service License and registrable Superannuation Entity License		
Auditor of the Company - PricewaterhouseCoopers	7,695	8,415

8. CONTINGENT ASSETS AND LIABILITIES

The Company did not have any contingent assets or contingent liabilities as at 30 June 2019 (2018: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 2019**

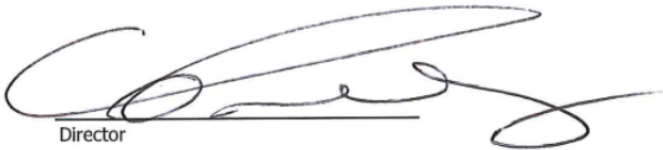
As detailed in note 1(a) to the financial statements, the Company is not a reporting entity because in the opinion of the Directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specially all of their information 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

30 August 2019



Independent auditor's report

To the members of Motor Trades Association of Australia Superannuation Fund Pty Limited

Our opinion

In our opinion:

The accompanying financial report of Motor Trades Association of Australia Superannuation Fund Pty Limited (the Company) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2019
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the statement of profit or loss and other comprehensive income for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

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

Independence

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.



Emphasis of matter - basis of accounting and restriction on use

We draw attention to Note 1 in 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 report is intended solely for Motor Trades Association of Australia Superannuation Fund Pty Limited and its members and should not be used by parties other than Motor Trades Association of Australia Superannuation Fund Pty Limited and its members. 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 2019, including the Special Purpose Financial Statements, 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 accordingly 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 identified above 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 on the other information obtained prior to the date of this auditor's report, 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 members. 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 have 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Nicole Osborne', written in a cursive style.

Nicole Osborne
Partner

Melbourne
30 August 2019



Auditor's Independence Declaration

As lead auditor for the audit of Motor Trades Association of Australia Superannuation Fund Pty Limited for the year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Nicole Osborne', is written over a light grey signature line.

Nicole Osborne
Partner
PricewaterhouseCoopers

Melbourne
30 August 2019