



Annual Member's Report 2022–23



Contents

President's report	2
<hr/>	
Council's report	4
Council Members	4
Principal activity	4
Operating Results	4
Comprehensive Income	4
<hr/>	
Council's statement	5
<hr/>	
Report of the independent auditor on the summary Financial Statements	6
Opinion	6
Summary Financial Statements	6
The Audited Financial Report and Our Audit Report Thereon	6
Other Information	7
Council Members' Responsibility for the Summary Financial Statements	7
Auditor's Responsibility	7
<hr/>	
AANT summary financials	8
Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11

President's report

In 2023, AANT entered its 60th year of operation. Sixty proud years of serving the needs of its members through the delivery of roadside assistance, insurance, travel, member savings, motoring advice, and advocacy.

More than 21,000 Territorians now choose to belong to AANT: to help keep them moving on the road, at home, and overseas. Throughout our history, our responsibility to members is something we've always taken seriously, and we acknowledge members' trust in our organisation, which allows us to play a part in so many facets of their lives.

We continue to put our members at the forefront of everything we do, and we value the commitment and passion from our members, allowing the organisation to prosper and grow. There is no better example of this than the 185 members who have loyally supported AANT for fifty years, or more.

Strong growth, sound finances and greater value delivered to members in the areas of motor, home and travel are among the key indicators of a successful reporting year for AANT.

Within AANT our staff focus on placing the member at the heart of every decision we make. This is because there is an acknowledgement that our future growth will continue to be built on trust, service, and the spirit of being part of the Northern Territory community.

The organisation delivered a strong financial performance for the year ended 30 June 2023, with an overall profit after tax of \$591,586, enabling us to invest in growing and safeguarding the business. The total net assets of the group increased to more than \$5 million.

AANT's core business, our iconic roadside assistance, continues to play a key role in our members' lives with AANT attending to over 14,000 breakdowns during 2022/23, including over 3,500 to reciprocal members travelling to the Territory.

In the greater Darwin area, our average member wait time for roadside assistance was 33 minutes, with 82% back on the road after the first attendance. A remarkable achievement.

The growth of electric vehicle sales will present new challenges to AANT in continuing to deliver exceptional roadside assistance services. In order to meet these challenges, AANT is working closely with all motoring clubs across Australia, to develop new capabilities and remain in step with emerging technology.

The AANT Council has a clear mandate to give members maximum value. Member benefits encompass almost every aspect of daily life, including major savings on fuel, entertainment, transport, retail, and gift cards.

Advocacy has been the backbone of the organisation since AANT was established in 1963. During the year, AANT continued to speak out strongly on the need to improve transport affordability, including the price of fuel, as well as the urgent need to increase investment in road safety and transport infrastructure to keep our members moving safely.

During the year, we increased our shareholding in AANT Salary Packaging to 50%. AANT Salary Packaging is the largest provider of vehicle packaging in the Northern Territory, and our increased investment positions us to generate greater financial returns, as well as provide a member benefit highly complementary to our existing services.

AANT entered into a new agreement with Insurance Australia Group Limited (IAG), which has led to us transitioning our insurance customers to the CGU brand. We have seen sustained growth in the insurance portfolio and our improved online services have contributed to this success.

With international borders re-opening post-Covid, more people returned to overseas travel. The increased travel has been reflected in significant growth in International Driver Permit applications and we have experienced 62% growth in travel insurance policy sales.

The service and value afforded to our members would not be possible without our workforce, and I acknowledge the AANT team for their dedication and approach towards assisting our members across the Territory.

It continues to be an honour and a privilege to serve AANT members as President, and I thank our members for their ongoing support and trust in AANT.



A handwritten signature in black ink, appearing to read 'Trevor Cox'.

Trevor Cox
President

Council's report

Your council members submit the consolidated financial statements of The Automobile Association of the Northern Territory Incorporated (the Association) and its Subsidiary for the financial year ended 30 June 2023.

Council Members

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

- › Mr Trevor Cox (President)
- › Ms Cassandra Emmett (Vice President)
- › Mr Mark Olivetta (Public Officer)
- › Mr David Loy
- › Mr Douglas Phillips
- › Ms Sarah Hicks
- › Mr Aswin DeSilva
- › Ms Avril Baynes
- › Mr Edward Smelt (Appointed Nov 2022)

Principal activity

The principal activity of the Group 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 Results

The consolidated operating profit before income tax was \$845,190 (2022: \$152,397 profit, Consolidated). The net current year consolidated profit after tax was \$591,586 (2022: \$98,515 loss, Consolidated).

Comprehensive Income

The total consolidated comprehensive profit for the year was \$591,586 (2022: \$98,515 loss, Consolidated).


AANT values its financial assets at market value and at balance date the market value of the investment portfolio was \$341,161 less than cost of acquisition.

This reflects an increase in value of the investment portfolio by \$87,804 compared to the \$428,965 shortfall reported in FY22 and is taken into account in this year's profit results.

Investment details	Cost	Market value	(Shortfall)
	30 June 2023		
Capital notes and preference shares	650,000	657,760	7,760
Other fixed interest investments	699,072	652,909	(46,163)
Global managed funds (in \$A)	1,192,725	889,967	(302,758)
Total	2,541,797	2,200,636	(341,161)

As at 30 September 2023 the shortfall against acquisition cost is \$262,773, compared to \$341,161 reported in the accounts, and any recovery of value in FY24 will be reflected in those accounts.


Trevor Cox
President
Date: 6 November 2023


Cassandra Emmett
Vice President
Date: 6 November 2023

Council's statement


In our opinion:

- (a) the accompanying financial report, as set out on pages 7 to 40, is drawn up so as to present fairly the state of affairs of the Association as at 30 June 2023 and the results of the Association for the year ended on that date;
- (b) the accounts of the Group have been properly prepared and are in accordance with the books of account of the Group; and
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Council Members.



.....
Trevor Cox
President
Date: 6 November 2023



.....
Cassandra Emmett
Vice President
Date: 6 November 2023

Report of the independent auditor on the summary Financial Statements

To the members of the Automobile Association of the Northern Territory Inc.

Opinion

The summary financial statements, which comprises the Consolidated Statement of Financial Position as at 30 June 2023, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and the Council's Statement, are derived from the audited financial report of Automobile Association of the Northern Territory Inc for the year ended 30 June 2023.

In our opinion, the accompanying summary financial statements are consistent with, in all material respects, the audited financial report of Automobile Association of the Northern Territory Inc for the year ended 30 June 2023, in accordance with the Northern Territory of Australia *Associations Act 2003* and the Australian Accounting Standards.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Northern Territory of Australia *Associations Act 2003* and the Australian Accounting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon. The summary financial statements and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

The Audited Financial Report and Our Audit Report Thereon

We expressed an unmodified audit opinion on the audited financial report dated 6 November 2023.

Other Information

The Council Members are responsible for the other information. The other information comprises the President's Report and the Council's Report for the year ended 30 June 2023, but does not include the summary financial statements and our auditor's report thereon.

Our opinion on the summary financial statements 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 summary financial statements, 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.

Council Members' Responsibility for the Summary Financial Statements

The Council Members are responsible for the preparation of the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which are conducted in accordance with Audit Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

Moore Australia Audit (SA/NT) Pty Ltd



Stephen Camilleri

Director

Adelaide, SA

6 November 2023

AANT summary financials

Consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2023

	Consolidated 2023	Consolidated 2022
	\$	\$
Revenue from contracts with customers	5,195,655	5,516,112
Total Revenue	5,195,655	5,516,112
Expenses		
Member services expenses	(2,929,012)	(3,303,793)
Administration fees	(297,720)	(287,652)
Employee benefits	(981,422)	(1,081,115)
Other expenses	(641,709)	(623,925)
Total expenses	(4,849,863)	(5,296,485)
Share of net profit of associate	254,881	120,188
Finance Income / (Loss)	244,517	(187,419)
Operating profit before income tax	845,190	152,397
Income tax expense	(253,604)	(250,912)
Operating loss /profit after income tax	591,586	(98,515)
Other comprehensive income		
Other comprehensive income for the year	-	-
Total comprehensive income / (loss) for the year	591,586	(98,515)

The Consolidated Statement of Profit and Loss is to be read in conjunction with the Notes to the Financial Statements, which forms part of the full financial report and, which can be distributed upon request.

Consolidated statement of financial position as at 30 June 2023

	Consolidated 2023	Consolidated 2022
	\$	\$
Current Assets		
Cash and cash equivalents	650,433	970,367
Trade and other receivables	431,923	333,029
Income tax receivable	107,402	-
Financial assets	2,200,636	2,938,055
Inventories	17,005	18,626
Total Current Assets	3,407,399	4,260,077
Non-Current Assets		
Plant and equipment	68,926	76,425
Intangibles	159,434	215,452
Right-of-use asset	638,784	782,465
Investment in Associate	3,670,360	2,046,618
Deferred tax asset	24,704	132,095
Total Non-Current Assets	4,562,208	3,253,055
Total Assets	7,969,607	7,513,132
Current Liabilities		
Contract liabilities	1,513,502	1,447,987
Trade and other payables	404,067	381,422
Provisions	151,343	185,352
Provisions for Income Tax	-	12,401
Interest bearing liabilities	146,719	137,695
Total Current Liabilities	2,215,632	2,164,857
Non-Current Liabilities		
Provisions	25,463	37,531
Deferred tax liability	13,465	40,563
Interest bearing liabilities	562,818	709,537
Total Non-Current Liabilities	601,746	787,631
Total Liabilities	2,817,377	2,952,488
Net Assets	5,152,231	4,560,645
Equity		
Retained Earnings	5,152,231	4,560,645
Total Equity	5,152,231	4,560,645

The Consolidated Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements, which forms part of the full financial report and, which can be distributed upon request.

Consolidated statement of changes in equity for the year ended 30 June 2023

	Retained Earnings	Total
	\$	\$
Consolidated		
Balance at 1 July 2021	4,659,160	4,659,160
Loss for the year	(98,515)	(98,515)
Other comprehensive income	-	-
Total comprehensive loss for the year	(98,515)	(98,515)
Balance at 30 June 2022	4,560,645	4,560,645
Consolidated		
Balance at 1 July 2022	4,560,645	4,560,645
Profit for the year	591,586	591,586
Other comprehensive income	-	-
Total comprehensive income for the year	591,586	591,586
Balance at 30 June 2023	5,152,231	5,152,231

The Consolidated Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements, which forms part of the full financial report and, which can be distributed upon request.

Consolidated statement of cash flows for the year ended 30 June 2023

	Consolidated 2023	Consolidated 2022
	\$	\$
Cash flows from operating activities		
Receipts from members and customers	5,162,277	5,429,996
Payments to suppliers and employees	(4,733,412)	(5,459,406)
Interest on lease liabilities	(20,666)	(24,668)
Income tax paid	(133,753)	-
Net cash provided by / (used in) operating activities	274,446	(54,078)
Cash flows from investing activities		
Purchase of fixed assets and intangibles	(97,897)	(60,248)
Purchase of financial assets	(199,315)	(506,111)
Investment income received	545,565	140,220
Purchase of investment in associate	(1,730,261)	(1,926,430)
Proceeds from sale of financial assets	1,025,223	-
Net cash provided by / (used in) investing activities	(456,686)	(2,352,569)
Cash flows from financing activities		
Payment of principal portion of lease liabilities	(137,695)	(129,081)
Net cash provided by / (used in) financing activities	(137,695)	(129,081)
Net increase/(decrease) in cash and cash equivalents	(319,934)	(2,535,728)
Cash and cash equivalents at beginning of the year	970,367	3,506,095
Cash and cash equivalents at end of the year	650,433	970,367

The Consolidated Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements, which forms part of the full financial report and, which can be distributed upon request.



Automobile Association of the Northern Territory Inc.

2/14 Knuckey Street, Darwin NT 0800

P (08) 8925 5901 **E** info@aat.com.au

24/7 Roadside Assistance 131 111

www.aant.com.au