

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
**A.B.N. 26 048 756 072**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 DECEMBER 2013**

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
**26 048 756 072**  
**CONTENTS**

Committee's Report	1
Income Statement	2
Balance Sheet	5
Notes to the Financial Statements	6
Statement by Members of the Board	10
Auditors' Report	11

**MOTORCYCLING SOUTH AUSTRALIA INC.  
26 048 756 072  
BOARD REPORT**

Your board members submit the financial report of the Motorcycling South Australia Inc. for the financial year ended 31 December 2013.

**Committee Members**

The names of board members throughout the year and at the date of this report are:

**Elected Members:**

Brenton Matters (President)

Phil Turnbull (Vice President)

Mick Potter (Director)

Daniel Marsh (Vice Chris Kelly resigned 2013)

**Board Appointed**

Kerry Marsh

Vacant – Industry Representative

**Executive**

Chris McArdle (General Manager)

**Principal Activities**

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

Advancement and Development of Motorcycling in South Australia.

**Significant Changes**

No significant change in the nature of these activities occurred during the year.

**Operating Result**

The net loss for the financial year amounted to \$336,572

Signed in accordance with a resolution of the Members of the Board.

Board Member:  \_\_\_\_\_

Board Member:  \_\_\_\_\_

Dated this *9<sup>th</sup>* day of *April* 2014

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
**26 048 756 072**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	<b>2013</b>	<b>2012</b>
	\$	\$
<b>INCOME</b>		
<b>Discipline Income</b>		
MX Income	15,045	-
Moto Trials Income	2,536	3,900
Speedway	85	72
Reliability / Road Trials	3,665	4,560
Enduro	<u>13,273</u>	<u>10,436</u>
	34,604	18,968
<b>Grants Received</b>		
Grants - Office of Recreation and Sport	40,000	45,000
<b>Licences &amp; Permits</b>		
Competition Levy	105,348	103,393
NonCompetition Levy	72,934	73,125
MA Licences	544,930	509,281
Permits & Track Licences	<u>68,332</u>	<u>71,032</u>
	791,544	756,831
	<u>866,147</u>	<u>820,799</u>
<b>OTHER INCOME</b>		
Affiliation Fees	20,718	18,486
Fines & Appeals	3,427	127
Training & Coaching Income	4,064	6,750
Insurance Rebate	-	13,643
Profit on sale of Fixed Asset	3,006	1,134
ACUSA Park	12,674	8,290
Gillman	54,702	51,811
<b>Sundry Receipts</b>		
Sundry Income	13,622	909
Photocopier	9,669	5,673
Hall Hire	<u>258</u>	<u>436</u>
	23,549	7,018
	<u>122,140</u>	<u>107,261</u>
	<u>988,287</u>	<u>928,059</u>

The accompanying notes form part of these financial

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
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**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$
<b>EXPENDITURE</b>		
Advertising & Promotion	4,243	3,259
Audit & Accounting Fees	4,800	4,650
Awards Night	1,441	10,234
Bad Debts	837	-
Bank Charges	1,402	2,124
Bank Card Charges	2,349	2,455
Bookkeeping	1,953	6,830
Borrowing Expenses	310	459
Capitation Fees & Levies	405,285	304,768
<b>Discipline Expenses</b>		
Road Trial Expenses	6,936	3,520
Moto Trial Expenses	6,251	6,574
MX Expenses	23,821	5,808
Road Racing	-	1,000
Enduro	8,448	13,769
Dirt Track	409	2,944
MSA Events	2,948	6,443
Off Road Strategy	-	10,000
Club Event Supplies	5,409	674
Womens	1,364	1,000
Rider Development	22,400	7,785
	<u>77,985</u>	<u>59,518</u>
Depreciation	23,327	22,235
Donations	1,372	1,164
<b>Direct Expenses</b>		
Gillman	58,499	52,506
Granite Ridge	505	35,788
Acusa Park	8,403	2,408
	<u>67,406</u>	<u>90,702</u>
Filing Fees	321	325
General Expenses	1,340	30
Holiday Pay & Leave Loading	14,558	18,375
<b>Insurance</b>		
Workcover	4,528	4,436
Public Liability	38,370	57,661
	<u>42,898</u>	<u>62,097</u>
Interest - Bank	14,541	23,425
Legal Costs	-	1,013
Net Loss on Disposal of Plant	-	30,873
Motor Vehicle Expenses	6,540	6,743

The accompanying notes form part of these financial statements.

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
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**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

Note	2013 \$	2012 \$
Office Expenses	46,605	33,589
Postage & Courier	4,726	4,859
Professional Fees	4,428	4,468
Printing & Stationery	1,451	2,190
<b>Service Fees</b>		
Coaching Expenses	2,663	5,973
Officials Expenses	8,739	3,775
	<u>11,402</u>	<u>9,748</u>
Staff Training	-	120
Subscriptions & Seminars	5,061	7,222
Superannuation	20,055	19,245
Telephone	9,571	12,609
Travelling Expenses	5,130	4,291
Wages	202,728	207,085
	<u>984,065</u>	<u>956,703</u>
Profit (Loss) for the year from operating activities	4,222	(28,644)
<b>Extraordinary Items</b>		
Revaluation of Non-Current Assets	-	251,264
Capital Loss on Sale of Property	(58,000)	-
Loan Written off to Affiliate Entity (Tailem Bend Project)	(282,794)	-
<b>Profit (Loss) for the year</b>	<u>(336,572)</u>	<u>222,620</u>
Retained surplus at the beginning of the financial year	1,389,206	1,166,586
<b>Retained surplus at the end of the financial year</b>	<u>1,052,634</u>	<u>1,389,206</u>

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
**26 048 756 072**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,551	13,538
Trade and other receivables	2	91,480	104,841
<b>TOTAL CURRENT ASSETS</b>		<u>93,031</u>	<u>118,379</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	2	-	263,985
Property, plant and equipment	3	1,219,384	1,420,208
Intangible assets	4	-	256
<b>TOTAL NON-CURRENT ASSETS</b>		<u>1,219,384</u>	<u>1,684,449</u>
<b>TOTAL ASSETS</b>		<u>1,312,414</u>	<u>1,802,828</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade Creditors		57,086	22,159
Other Creditors		13,441	15,185
GST		34,413	21,735
Bank Overdraft		-	105,387
Loan From Motorcycling Australia Inc.		-	90,000
Employee benefits	5	4,840	9,156
<b>TOTAL CURRENT LIABILITIES</b>		<u>109,780</u>	<u>263,622</u>
<b>NON-CURRENT LIABILITIES</b>			
Bank Loan		150,000	150,000
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>150,000</u>	<u>150,000</u>
<b>TOTAL LIABILITIES</b>		<u>259,780</u>	<u>413,622</u>
<b>NET ASSETS</b>		<u>1,052,634</u>	<u>1,389,206</u>
<b>MEMBERS' FUNDS</b>			
Retained surplus	6	1,052,634	1,389,206
<b>TOTAL MEMBERS' FUNDS</b>		<u>1,052,634</u>	<u>1,389,206</u>

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
**26 048 756 072**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

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**1 Statement of Significant Accounting Policies**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act South Australia. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**Property**

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation.

**Property, Plant and Equipment (PPE)**

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.



**MOTORCYCLING SOUTH AUSTRALIA INC.**  
**26 048 756 072**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>2 Trade and Other Receivables</b>		
<b>Current</b>		
Trade Debtors	40,642	39,834
Grants Receivable	-	44,000
GST on acquisitions	50,838	21,007
	<u>91,480</u>	<u>104,841</u>
<b>Non-Current</b>		
Loans to Affiliates	-	263,985
	<u>-</u>	<u>263,985</u>
Written off in 2013 as an extraordinary item. Loans to Affiliated Entity (Tailem Bend Project)		
<b>3 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
<b>Land &amp; Buildings</b>		
251 The Parade (2012 Revaluation)	550,000	550,000
251 The Parade (Property Improvements at Cost)	2,700	-
Acusa Park (2012 Revaluation)	595,000	595,000
Granite Ridge 2 (2012 Revaluation)	-	190,000
	<u>1,147,700</u>	<u>1,335,000</u>
<b>Total Land and Buildings</b>	<u>1,147,700</u>	<u>1,335,000</u>
Plant & Equipment - at Cost	169,397	238,244
Less Prov'n for Depreciation	(97,713)	(153,036)
	<u>71,684</u>	<u>85,208</u>
<b>Total Plant and Equipment</b>	<u>71,684</u>	<u>85,208</u>
<b>Total Property, Plant and Equipment</b>	<u>1,219,384</u>	<u>1,420,208</u>
<b>4 Intangible Assets</b>		
Borrowing Cost Sinking Fund	2,293	2,293
Less Written Off	(2,293)	(2,038)
<b>Total</b>	<u>-</u>	<u>256</u>

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
**26 048 756 072**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>5 Employee Benefits</b>		
<b>Current</b>		
Provision for Annual Leave	4,840	9,156
 <b>6 Retained Surplus</b>		
Retained Surplus Retained surplus at the beginning of the financial year	1,389,206	1,166,586
Net profit (Net loss) attributable to the association	(336,572)	222,620
Retained Surplus Retained surplus at the end of the financial year	1,052,634	1,389,206

**MOTORCYCLING SOUTH AUSTRALIA INC.**  
**26 048 756 072**

**STATEMENT OF MEMBERS OF THE BOARD OF MANAGEMENT**

The Board have determined that the association is not a reporting entity.

The Board have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial report.

In the opinion of the Board, the financial report:

1. Presents fairly the position of the Motorcycling South Australia Inc. for the year ended 31 December 2013 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the Motorcycling South Australia Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Board Member: \_\_\_\_\_

Board Member: \_\_\_\_\_

Dated on the 9<sup>th</sup> day of April 2014

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF MOTORCYCLING SOUTH AUSTRALIA INC.  
26 048 756 072**

**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of South Australia Inc. (the association), which comprises the balance sheet as at 31 December 2013, profit and loss statement, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

**Committee's Responsibility for the Financial Report**

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporations Act South Australia 1985 and are appropriate to meet the needs of the members. The committee's responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 auditors' judgment, 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 auditors consider 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 committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting obligations under the Associations Incorporation Act South Australia 1985 disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

**Independence**

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF MOTORCYCLING SOUTH AUSTRALIA INC.  
26 048 756 072**

**Auditors' Opinion**

In our opinion, the financial report of Motorcycling South Australia Inc. presents fairly, in all material respects the financial position of Motorcycling South Australia Inc. as of 31 December 2013 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act South Australia 1985.

**Name of Firm:** Peter Hall Chartered Accountants

**Name of Director:**

  
Peter Hall FCA

**Address:** Level 4 25 Leigh Street Adelaide 5000

**Dated this** 10<sup>TH</sup> day of April 2014