

MOTOR TRADES ASSOCIATION OF QUEENSLAND



ANNUAL REPORT
2022



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Disclaimer: This Annual Report has been prepared for the 2021-2022 financial year which comprises the time period of 1 July 2021 to 30 June 2022. Activities, appointments, events and actions outside this timeframe will generally not be represented in this document.



Paul Peterson

Chair
MTA Queensland



... in the coming years, the automotive industry will undergo significant structural change, and while the path ahead is one of challenge, I'm confident that together, we will persevere.

Chair Report

As with our vision to be Queensland's most engaged industry body, this past year has seen a focus on creating more opportunities for members to participate in industry discussions. During these meetings, we have taken away some valuable insights on the issues affecting automotive businesses at both a national and local level.

The disruptions caused by COVID-19 continue to reverberate through the industry, with all automotive professions experiencing some level of skills deficit. There are 6,000 job vacancies in Queensland alone, with mechanical and collision repair businesses feeling the brunt of it.

And while demand for new cars has remained strong over the period, the ongoing shortage of microprocessor units and shipping delays means longer wait times for popular models and lengthy repair times as businesses struggle to source replacement parts.

That said, automotive businesses expectations beyond the pandemic remain generally optimistic. The industry's retail segment is projected to grow over the next five years as the economy recovers, along with demand for repair and maintenance services.

The automotive industry is at a revolutionary turning point, with the transformation to electric, connected, and autonomous vehicles bringing visible changes to the automotive value chain.

Around the world, governments are encouraging manufacturers and consumers to embrace electric vehicle technology, prompted by the need to address the global climate crisis.

While uptake is still in its infancy in Australia, stricter emission regulations, more widely available charging

infrastructure, and economies of scale will create new and strong momentum for electrified vehicles. While only consisting of around two per cent of the overall new car market, the evidence of such change is already emerging.

Already In the first half of 2022, sales of battery electric vehicles have jumped 336.6 per cent year-to-date from 2021, with a total of 9,680 vehicles sold.

The experience of Norway, a country well advanced in the path of electric mobility, suggests the shift to EVs requires significant investment by dealerships and workshops in both capital equipment and skills training. These findings have significant implications for Australia, and the discussion continues on the predicted impact that these changes will bring for the industry and broader community.

As these developments evolve in the coming years, the automotive industry will undergo significant structural change, and while the path ahead is one of challenge, I'm confident that together, we will persevere.

Paul Peterson
Chair
MTA Queensland



James Robertson

Secretary
MTA Queensland



**As of 30 June 2022,
MTA Queensland has
1,370 members and
the MTA Institute has
2,332 students.**

Secretary Report

I, James Robertson Secretary of the Motor Trades Association of Queensland, am responsible for the overall governance of the association and for the compliance and reporting to relevant bodies such as ASIC (Australian Securities and Investments Commission), Fair Work Commission and Registered Organisations Commission.

The financial report is prepared in accordance with the Fair Work (Registered Organisation) Act 2009 and complies with Australian Accounting Standards (including the Australian Accounting Interpretations) and I confirm that the financial report is free of errors and omissions.

The financial accounts presented were audited by BDO Audit Pty Ltd.

BDO's audit found our financial report, dated 30 June 2022, fairly presented our financial position, financial performance, and cash flows for the year in accordance with Australian Accounting Standards and other relevant legislation.

Financial Results 30th June 2022

Profit attributable to Members of the Organisation

This year's profit attributable to members of the organisation is \$683,228 ending 30th June 2022, this includes the unrealised gain/(loss) on the share portfolio investments at fair value for an amount of (\$309,862).

Our total equity position remains strong at \$24,793,946, increasing from \$24,110,718.

General Comments

As of 30 June 2022, MTA Queensland has 1,370 members and the MTA Institute has 2,332 students.

The groups revenue from contracts with customers increased by nearly 16% over the past twelve months. This was mainly due to an increase in training income, both government-funded and non-government funded directly related to student growth. MTA Queensland has continued to grow its apprenticeship training numbers as a key strategy to meet the skills demands of industry. The strength of the 2022 performance is further demonstrated in the context that COVID-19 grants reduced from 2021 to 2022 by \$733,912. Further, the share portfolio investments achieved an increase on last year's revenue of 56.7% through increased gains on shares sold, and dividends received.

To support the strong growth in student numbers, the Association increased staffing levels by 6 staff and utilised external consultants, the total increase in expenses was mainly attributed to these expenses.

Thank you to our CFO & GM Corporate Services Kathy Winkcup for her dedication to her role and ensuring our financials are always completed accurately and on time.

I'm confident MTA Queensland will continue to achieve our goals whatever the next year brings.

James Robertson
Secretary
MTA Queensland



Rod Camm

Group Chief Executive
MTA Queensland



It has been a real privilege to lead the Association through what could be a defining year for our industry. Ongoing supply constraints, labour shortages, and the continued presence of COVID-19 were all industry-altering events. Yet, we persevered and prospered.

Group Chief Executive Report

Welcome to the MTA Queensland
2022 Annual Report.

It has been a real privilege to lead the Association through what could be a defining year for our industry. Ongoing supply constraints, labour shortages, and the continued presence of COVID-19 were all industry-altering events. Yet, we persevered and prospered.

Innovation, customer service and adaptability have become our mantra, which has driven our members towards an exciting future. Yes, conditions could have been better, but the overall economic situation for industry remains strong.

2022 also saw big changes on the policy front, which again demonstrates the need for a united Association. The stronger we are, the harder we can push, and that is exactly what we have done.

MTA Queensland has taken a leading role in highlighting the disruption that new technology and innovation will bring to the automotive industry and is committed to ensuring our members are informed and educated to stay ahead of wave.

Our focus this year has been on increasing member representation, delivering agile workforce and skilling solutions, as well as supporting innovation and research, all of which have been identified in our 2022-2024 *Strategic Plan*.

Engagement

In line with our vision to be Queensland's most trusted, influential, and engaged industry peak body, MTA Queensland is committed to providing clear and streamlined communication with our members.

We do this through our Weekly Industry Bulletin, social media channels, websites, *Motor Trader* e-Magazine, divisional

meetings, direct via phone and email, as well as in-person catch ups with area managers.

To further connect with members, this year our executive team went 'on the road' in regional Queensland to meet with businesses and hear their views. So far, we have visited Gladstone, Mackay, Gold Coast, Sunshine Coast, and Toowoomba, with more locations and dates to be announced.

I am personally committed to regional visits, as they enable a greater understanding of the industry concerns at a local level and allow us to ascertain the priority issues on which we must push hard. I won't deny that I also really enjoy visiting automotive workplaces.

These conversations have largely centered around the workforce crisis, skills, the transition to low and zero-emission vehicles, as well as the ongoing supply shortages. Members can be assured we will continue to advocate for their best interests.

An example of what can result from these fruitful discussions is the expansion of our membership offering. We are continually improving what we do, and have this year introduced a new Workplace Health and Safety Audit, Workplace Relations Consultation, Insurance Review, EFTPOS comparison, and energy audit into our 'instant value' services.

We have also placed an increased focus on gender equality in the industry, establishing Auto Women at the beginning of the year. This initiative provides a supportive environment for women working across the automotive industry, which is underpinned by a diverse female mentor team, who are there to answer questions, provide advice, or offer support. There are also opportunities for career development, as



We have also placed an increased focus on gender equality in the industry, establishing Auto Women at the beginning of the year.

well as a range of resources to promote the advantages of diversity to employers.

Not only has MTA Queensland furthered its engagement efforts with members, but we have also expanded our profile and industry representation to the general public.

2022 saw the launch of a new, comprehensive marketing campaign to remind consumers that using the services of an MTA Queensland member business is the best choice when it comes to meeting their automotive needs.

With rising cases of odometer fraud, dodgy roadworthies, and sub-standard backyard repairs, not to mention the risks associated with cars damaged by floodwater, our message is to only trust MTA Queensland members to perform the services required and avoid being 'taken for a ride.'

The campaign has received, and continues to see, great support from our member businesses, who have displayed the MTA Queensland branding

throughout their workplace, on their website, shop façade, and swooper flags.

This is a message we will continue driving hard across numerous media channels all over the State, so that consumers can easily identify member businesses.

Training

The automotive sector is experiencing an extraordinary skills shortage. This issue is not unique to our industry, with the 2021 Skills Priority List identifying over 150 occupations in shortage. With this in mind, understanding the journey undertaken by apprentices is vital to support the sector into the future.

In an industry first, MTA Queensland partnered with the Australian Automotive Aftermarket Association and the Australian Automotive Dealer Association to run a comprehensive survey of automotive apprentices.

The findings of this invaluable research will enable the industry, training providers, and

government to make the changes needed to improve skill development, career pathways, and job opportunities.

As Queensland's largest independent provider of automotive apprenticeships and training, the MTA Institute is heavily committed to delivering training pathways that facilitate great career advancement, and already runs several programs to encourage and inspire high-school students and school-leavers to enter the industry.

The MTA Institute has successfully rolled out its Auto Ready program to various locations across Queensland. This nationally recognised Vocational Education and Training (VET) accredited course is a tailored school program to give students a taste of workshop life and allow them to experience the beginning of an automotive career journey.

Auto Ready has traditionally been delivered solely at our Centre of Excellence in Brisbane, but this year saw the course

being held in a variety of locations across the State, including Gladstone, Oakey, Dysart, and Rockhampton.

The MTA Institute also continues to see promising cohorts coming through its Certificate II in Automotive Vocational Preparation Course, a five-week introductory course that prepares participants for employment, and potentially an apprenticeship.

While the MTA Institute thrives in the training sector, MTA Queensland continues to support the career advancement of automotive professionals through its VET trainer scholarship.

Launched back in 2020, the trainer scholarship provides the opportunity for automotive technicians to further their careers by undertaking a Certificate IV in Training and Assessment (TAE40116). This highly sought after course is designed to teach the skills and knowledge to deliver and assess training in the VET sector and will be beneficial to closing the gap on the current skills shortage.

2022 also saw the release of two new scholarships through MTA Queensland's Auto Women initiative. The scholarships, called Leading Edge and Executive Ready, aim to support the development of women in early-career and mid-level positions across the automotive industry through online leadership development programs. MTA Queensland has seen firsthand the amazing impact that passionate young women have on this industry and know



how important it is to offer real skill building opportunities to help them enjoy long and rewarding careers.

MTA Queensland and the MTA Institute will continue to create opportunities for career advancement and deliver agile workforce and skilling solutions.

Innovation

I think it's safe to say all the evidence indicates our future is largely electric. The growing list of global vehicle manufacturers going electric – Jaguar, Audi, Alfa Romeo, Volvo, Rolls-Royce among them – speaks to this, as do the considerable drive of many countries across the world.

Facing up to the challenges and examining some of the directions and opportunities that Australian automotive businesses may take over the next few years was the dominant question considered at the fifth edition of MTA Queensland's Carmageddon symposium.

MTA Queensland plans to be in the vanguard of technological transformations. To do this, we must work in close collaboration with business owners, academia, service professionals, industry bodies, and government alike.

We recently met with numerous delegates from Australia's peak automotive representative bodies as we discussed the coordination of the future of our industry in light of the emerging technology as a one-day summit.



The MTA Institute has successfully rolled out its Auto Ready program to various locations across Queensland.





Facing up to the challenges and examining some of the directions and opportunities that Australian automotive businesses may take over the next few years was the dominant question considered at the fifth edition of MTA Queensland's Carmageddon symposium.

From this summit Australia's peak national, state, and territory bodies came to an agreement on a unified approach to developing critical pathways and positions that achieve a considered and practical transition to the electrification of the national motor vehicle fleet.

It is fortunate that when considering the implications of this transition, there is much evidence already available. Germany, Norway, Sweden, and the United Kingdom are already thriving when it comes to electric vehicle adoption and can provide a greater understanding on the approaches that should be considered locally.

MTA Queensland, joined by the other state's MTAs, went on an expedition to Europe to meet with manufacturers and industry heavyweights to gain first-hand insights into strategies implemented to drive their transition. Equipped with this knowledge, we can work with policymakers to build a national pathway.

It is truly a fascinating time to be involved in the automotive community. The level of technological advancement and disruption is unlike anything we have ever experienced.

Another area MTA Queensland has focused on developing is the public awareness of Advanced Driver Assistance Systems (ADAS).

From reversing cameras and blind spot warnings to more advanced features such as adaptive cruise control and driver drowsiness detection, almost all modern

cars are equipped with some form of ADAS technology.

MTA Queensland has designed an introductory course specifically for individuals who have purchased an ADAS-equipped car. Here, participants not only learn about the essential safety technology available but will also have the opportunity to bring along their own vehicle and learn about its unique functionalities.

The ADAS introductory course, held in collaboration with Brisbane-based specialist ADAS Solutions Australia, compliments our three existing, industry-focused ADAS courses for automotive technicians.

Finally, MTA Queensland has continued its collaboration with the Australian Research Council on its project, the 'ARC Training Centre for Multiscale 3D Imaging, Modelling and Manufacturing' (M3D).

The five-year project hopes to garner a deeper understanding of additive manufacturing, and how it can be used for conventional automotive parts to create a financially and environmentally sustainable method to recycle/reduce automotive shredder residue.

Now in its second year, the project has researched the Australian landscape for end-of-life vehicle management in comparison to the international standard and will continue to explore the options for vehicle waste, particularly plastics.

As we continue along this path, members can be assured MTA Queensland will be

here to ensure they remain ahead of the curve, as well as understand potential new business opportunities that will result.

Finally

This year has not been without its challenges, as we have all experienced. With the ongoing threat of COVID-19 as a constant risk, it is important that we continue to support one another.

To our members, I express my gratitude for your continued faith in the Association. We will continue to do everything in our power to be a persuasive and influential voice on your behalf.

My thanks also go out to the incredible trainers, administration staff, area managers, communications and IT teams, workplace relations officers, and everyone who contributes to the professional services offered by MTA Queensland and the MTA Institute. You have worked under unique pressures this year and have performed magnificently.

Lastly, I thank the members of the MTA Queensland and MTA Institute Boards for their ongoing support and guidance. I have every confidence that under your direction we will continue to deliver the highest level of training and education to students, and advocacy, support and resources to members.

Rod Camm

Group Chief Executive
MTA Queensland



Kellie Dewar

Deputy Group Chief Executive
Officer & General Manager
Member Services
MTA Queensland



We have continued to add to the instant value of membership with members taking up comparison offers for insurance and EFTPOS facilities, as well as free audits for workplace health and safety.

Member Services Report

Advocacy

MTA Queensland continues to represent the automotive agenda through submissions and engagement with government by liaising directly with departments and Ministers.

A key ongoing policy issue for members has been the review of the Written-Off Vehicle scheme. In 2019 the Department of Transport and Main Roads (TMR) undertook a review of the written-off vehicle scheme, resulting in proposed reforms. These changes included the introduction of a written-off heavy vehicle register, quality of repair process for light and heavy write-offs, and that all light vehicles deemed to be a total economic loss were classed as statutory write-offs and not repairable.

In 2021, the Parliamentary Transport and Resources Committee undertook an inquiry into vehicle safety, standards and technology, including engine immobiliser technology. The Committee tabled its report in September 2021, recommending that the reforms be reconsidered. The Queensland Government has supported this recommendation.

Since the report and recommendations, there was a written-off vehicle roundtable convened by TMR on 28 June 2022 with industry peak organisations, including MTA Queensland, to explore the future of Queensland's written-off vehicle scheme. MTA Queensland will continue to advocate for strong reform for the safe repair of vehicles and removal of unsafe vehicles from our roads.

The right to repair has been another longstanding policy issue for MTA Queensland resulting in the mandatory Motor Vehicle Information Scheme (MVIS), which came into effect 1 July 2022. We continue to monitor the refinements for accessing information under the

new Scheme. There are two new key requirements for accessing electric and hybrid vehicle, and security information and we can assist with the training required to access the electric and hybrid vehicle information.

Submissions

Formal Submissions

June 2022

MTA Queensland submission

Re: [Quad bikes and side-by-side vehicles safety](#)

February 2022

MTA Queensland submission

Re: [Improving the effectiveness of the consumer guarantee and supplier indemnification provisions under the Australian Consumer Law](#)

November 2021

MTA Queensland submission

Re: [Qld CTP Industry Stakeholders Submission Request 01/04/2022](#)

October 2021

MTA Queensland submission

Re: [Review of Trading \(Allowable Hours\) Act 1990](#)

September 2021

MTA Queensland submission

Re: [Strengthening protections against unfair contract terms](#)

August 2021

MTA Queensland submission

Re: [Automotive Franchising: Discussion paper](#)

August 2021

MTA Queensland submission

Re: [Harmonisation of Compulsory Third Party Insurance Premiums for Personalised Transport Vehicle Classes](#)

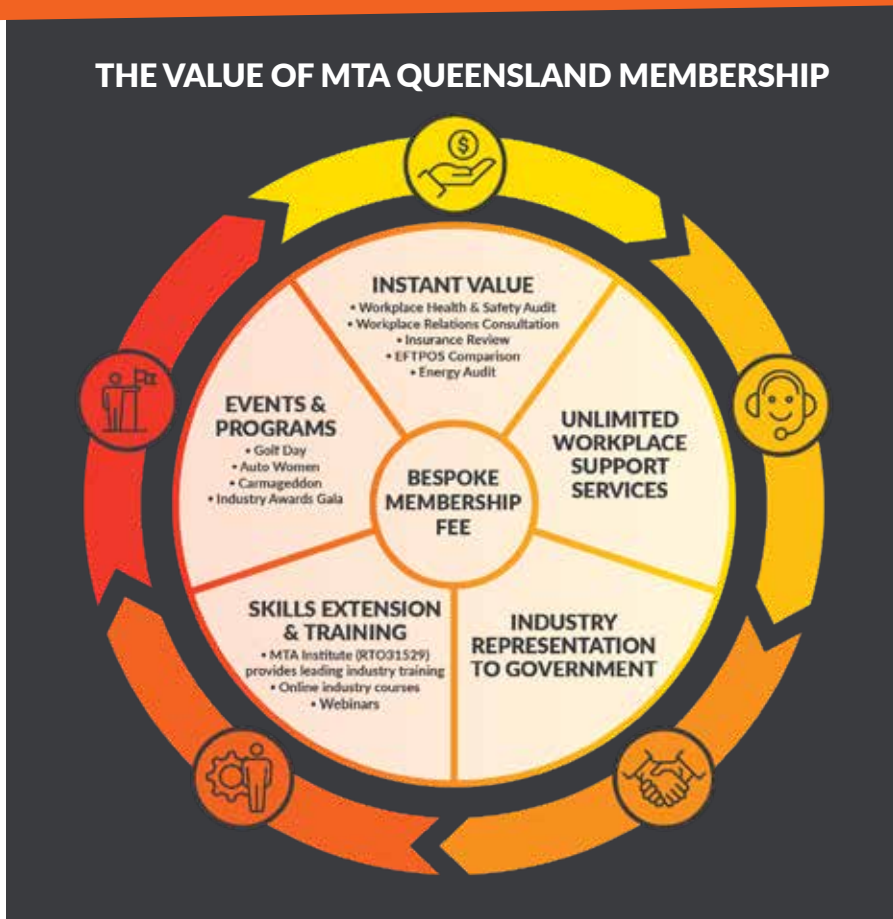
July 2021

MTA Queensland submission

Re: [Right to Repair](#)



THE VALUE OF MTA QUEENSLAND MEMBERSHIP



training via VET Emerging Industries fund, ensuring all of industry can work safely on EVs. Roll out is anticipated for early 2023.

On 11 March 2022, the Queensland Workforce Summit was completed and resulted in the release of the Workforce Strategy 2022-32 on 30 August 2022.

The Queensland Government is committed to increasing the size, skills, and adaptability of the State's workforce with a particular focus on five key areas - workforce participation, local solutions, school to work transitions, workforce attraction and retention and skilling Queenslanders now and into the future. MTA Queensland will tender for programs across these areas in late 2022 to further support industry.

Value of Membership

We have continued to add to the instant value of membership with members taking up comparison offers for insurance and EFTPOS facilities, as well as free audits for workplace health and safety.

Auto Women

I want to thank everyone who has supported this initiative, it has been very successful. Through online platforms, guest speakers and scholarship opportunities we have been able to engage women in the automotive industry at all different levels to come together and build a support network. A big thank you to our mentoring team and everyone who has participated. This is something we are very proud of.

Consumer Campaign

We embarked on the biggest marketing campaign in our history connecting consumers to the benefits of dealing with MTA Queensland members. It outlined the risks of not "dealing with someone you can trust" and members have embraced the importance of visibility of their membership.

Kellie Dewar

Deputy Group Chief Executive Officer & General Manager Member Services
MTA Queensland

Survey Submissions

Review of changes to casual employment laws Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Act 2021 (Cth).

Independent Environmental Protection Agency (EPA) Consultation for a possible EPA for Queensland.

Member Engagement

Regional Meetings

Regional meetings have been welcomed by members at the Gold and Sunshine Coasts and Toowoomba. Guest speakers from TMR covered topics such as Safety Certificates, Written-off Vehicle review and vehicle modifications. We will continue our regional tour to members, which are held outside business hours, and encourage you to attend and join in networking with your industry colleagues and tell us about issues impacting your business.

Member Networking opportunities

We have been able to engage with more regional members in all our Committee Meetings through the use of the online Teams platform resulting in increased attendance and participation. Meeting dates are published on the website and you will also receive an email invitation. We are working hard to build meaningful agendas for discussion and secure guest speakers that can add value to you as business owners.

Industry Skills Advisor

You may be aware MTA Queensland has a contract with the State Government to provide industry intelligence around current and emerging industry trends, skilling requirements, jobs growth and employment opportunities.

Our engagement and hard work have paid off and we are excited to have secured subsidised industry electric vehicle (EV)



Evangeline Kannis

Senior Workplace Relations Advisor
MTA Queensland



The changing nature of COVID-19 meant we needed to constantly update members with information, that provided assistance and advice about implementing COVID-19 leave related policies and procedures.

Workplace Relations Report

This financial year all businesses were

kept busy trying to keep up with ever-changing information to manage the risks of spreading the COVID-19 virus which proved challenging in relation to the ability to trade, the rules around vaccination, and contracting the virus or becoming a close contact.

The changing nature of COVID-19 meant we needed to constantly update members with information, that provided assistance and advice about implementing COVID-19 leave related policies and procedures. This included paying for COVID-19 related absenteeism, isolation disruptions that affected productivity, and dealing with recalcitrant employees and customers who walked in without face masks when it was mandatory. Added to this was the conflict between employers and some employees about who needed to be vaccinated, and whether a Rapid Antigen Test was sufficient when employers insisted on the identification benefits of PCR tests.

The gradual rollout of COVID-19 vaccines saw an opening of most state borders by Christmas 2021 with welcomed relief as families were able to reunite. With the upsurge in travel, previously isolated parts of regional Queensland felt disruption as COVID-19 impacted its communities and workplaces. Rolling COVID-19 lock downs continued up to April 2022. A lot of businesses continue to experience skills shortages and the effects of absenteeism on their current workforce due to COVID-19 isolation periods.

Another key frustration was the distinct lack of applicants for positions. Business' inability to fill all types of vacancies was compounded by employee turnover as apprentices and staff exited. Tradespeople including apprentices began receiving increases and above award wages to stabilise the business' workforce.

'Sign on' bonuses were used by some employers to entice skilled employees and greater flexibility in rosters assisted in retaining employees by creating improved work-life balance.

In March 2022 the federal Industrial Relations Minister initiated a formal review of "casual conversion" experiences which had only been introduced a year earlier. MTA Queensland provided a submission expressing small business' frustration with the onus now placed on them.

On Saturday 21 May 2022 the federal election saw a change of government. While climate targets were a major agenda item, so were jobs and productivity as the skills shortage was prioritised.

The June 2022 Fair Work Commission's National Wage Case Decision announced an unusual two-part wage increase, with a \$40 per week increase for adult 'lower' paid classifications, and a 4.6% Award wage increase to the adult 'higher' classifications. Wages Based Allowances and most Expense Related Allowances also increased.

Member enquiries were also strong throughout the year covering regular Awards, hours, leave, pay and disciplinary process enquiries.

Overall, there was a few unfair dismissal and general protections claims where representation was provided. Notably an increase in allegations of underpayment were investigated, resulting in no money owing.

Evangeline Kannis

Senior Workplace Relations Advisor
MTA Queensland



James Robertson

Chair
Australian Automotive Dealer
Association Queensland (AADA Qld)



Strong consumer demand and limited vehicle supply due to Covid related supply chain disruptions has resulted in another good year for motor dealers.

Australian Automotive Dealer Association Queensland

Overview

Strong consumer demand and limited vehicle supply due to COVID-19 related supply chain disruptions has resulted in another good year for motor dealers. Interest rate rises have the potential to reduce demand over the next 12 months. Staff shortages continue.

Divisional Activities

At the start of 2022 MTA Queensland quickly and successfully lobbied the Queensland Government to retain Sunday trading exclusion for motor dealers. The Government agreed extending trading hours would be detrimental to business and employees and would not provide any meaningful benefits to consumers.

MTA Queensland continues to work to expand the motor industry workforce as dealers wait for migrant worker visas to start flowing for technicians after COVID-19 and the federal election.

On 16 March 2022, the Queensland Government released [Queensland's Zero Emission Vehicle Strategy 2022-2032](#) and the first [Zero Emission Vehicle Action Plan 2022-2024](#). The 10-year Strategy aims to support Queensland's shift to zero net emissions by 2050.

MTA Queensland had a stand at the AADA national motor vehicle dealer convention in Brisbane on June 2-3, 2022. It was an excellent opportunity to connect with existing members and remind non-members of MTA Queensland's work.

Dealers will benefit from the MTA Institute becoming the first RTO in Australia to offer a Cert II in Automotive Accessory Fitting.

At MTA Queensland's Carmageddon event, Tania Meli from Frizelle Sunshine Automotive led a panel discussion with Nick Pappas from Servco, Mark Woelders

from Motorama and Fraser Brown from Q Automotive about the future dealership business model being a mix of online and physical premises. They agreed that the electrification of the vehicle fleet in Australia won't be quick and emphasised the importance of offering staff flexibility and investing in training and development. They discussed the problems with manufacturers moving to agency models.

Dealers are watching the current Mercedes-Benz court case in which 38 Australian dealers are claiming \$650 million in damages from the manufacturer's decision to move to an agency model.

Divisional Priorities

AADA (Qld) continues to lobby the Queensland Government for compensation for the costs associated with registering vehicles.

Our policy activity centres around jobs and skills, transition of fleet to alternate fuel sources, as well as franchising and dealer Agreements. MTA Queensland will continue to represent new car dealers on all these issues through submissions, meetings and delegations.

We look forward to member growth in AADA (Qld) and will introduce relevant guest speakers at upcoming meetings.

General

AADA (Qld) and MTA Queensland will continue to advocate for the interests of Queensland motor dealers and promote the benefits dealers provide to consumers including local face-to-face sales, service, parts, warranty, finance and trade-ins – and quality local jobs.

James Robertson
Chair
AADA Qld



Mark Dodge

Chair
Automotive Engineers Division
(AED)



Our attention has been on the long-awaited Motor Vehicle Information Scheme (MVIS). Under the mandatory scheme ... all Australian motor vehicle repairers and relevant RTOs have fair access to the information needed to service and repair cars or provide training.

Automotive Engineers Division

Overview

This financial year has seen positive input and increased attendance at AED meetings. Throughout the year we had presentations on the importance of businesses having an online presence with a comprehensive Google My Business profile, understanding EV charging stations, and online booking platforms. These presentations provided business education for options and investment. We will continue this format for future AED meetings. Please consider joining future meetings as a commitment to bettering our industry. They are conveniently held online and suitable for all locations.

Divisional Activities

Our attention has been on the long-awaited Motor Vehicle Information Scheme (MVIS). Under the mandatory scheme, which came into effect 1 July 2022, all Australian motor vehicle repairers and relevant RTOs have fair access to the information needed to service and repair cars or provide training. This includes software updates to connect a new spare part with a car, and information and codes for computerised systems from car manufacturers.

The Australian Automotive Service and Repair Authority (AASRA) has been appointed as the MVIS adviser. AASRA's core function is to support the day-to-day operation of the scheme and facilitate the process to access safety and security information. AASRA has created an online portal that allows eligible Australian repairers and scheme RTOs to access the information and manage their credentials.

There are some requirements to access safety and security data. For example, electric and hybrid vehicle information requires specific depowering qualifications which can be done through the MTA

Institute. There are also requirements for accessing security information. Businesses can still access information directly through the original equipment manufacturer platforms, but safety and security credentials are still required.

Divisional Priorities

Priorities include providing feedback on the MVIS and provide education and awareness to members on navigating the platforms and the legislation.

We will continue to advocate on Safety Certificates and the current fee schedule which is inadequate to perform the inspection to an appropriate standard.

General

MTA Queensland members attending committee meetings have raised important issues including industry standards, training, remuneration, licensing, employment incentives and industry evolution.

The October meeting focused on workplace health and safety with a presentation relating to a serious workshop incident which was reinforced through a training video. MTA Queensland has a corporate partner for workplace health and safety, and through Safety Help members can get a free workplace health and safety audit as part of their member benefits.

MTA Queensland has throughout the year provided important industry related data and information to members pertaining to forklift licensing, disposal of uncollected goods, mandatory data sharing, licensing and regulations, and the written off vehicle scheme.

Mark Dodge

Chair
AED



Lawrie Beacham

Chair
Automotive Parts Recyclers Division
(APRD)



There is enormous potential for opportunity for the automotive recycling sector with the industry facing new part shortages and supply chain issues.

Automotive Parts Recyclers Division

Overview

There is enormous potential for opportunity for the automotive recycling sector with the industry facing new part shortages and supply chain issues. These challenges enable parts recycling businesses to step into an industry solution. I encourage all businesses to embrace this opportunity to supply quality, appropriately priced goods and present them in a high-level manner to the consumer. The presentation of products provides the recipient with perceptions of quality, professionalism and high service levels, all of which lead to repeat business and high levels of customer satisfaction.

Divisional Activities

Worldwide, there is an enormous problem with stolen diesel particulate filters (DPF) and catalytic convertors. This issue is affecting the public's personally owned vehicles and rental fleets. With new part shortages and supply chain issues, replacement parts for some vehicles are extending to four to six month delays.

It would be beneficial if the sale of catalytic convertors and DPFs were only permitted by licensed automotive parts recycling facilities and the exhaust industry. This would ensure mandatory tracing by recording the stock number on the items for on selling. Other industry operators would be able to record the VIN of the appropriate vehicle to ensure tracing is possible. We must also discourage "cash sale" practises by unlicensed entities who tarnish our reputation and enable stolen parts to be on sold. We have strong support from the Rental Industry in this area.

Divisional Priorities

Dumping of end-of-life (ELTs) tyres are a huge environmental global issue. An Australian organisation, Green Distillation Technologies, has developed world-first technology to cleanly recycle ELT car and truck tyres into oil, carbon and steel. The GDTC process is emission free and differs from the existing grinding up of ELTs to make rubber crumb which creates noxious greenhouse damaging emissions.

Disposal has had as many as seven price rises in less than 12 months. The recycling/disposal of ELTs has become a greater concern since Australia changed its export laws. MTA Queensland are aware of this worsening situation and support organisations like GDTC who are truly leading the way in providing a solution.

Succession planning remains an ongoing agenda item with the APRD. There is a dire need for recyclers to step into leadership roles at the State and National level. Attracting youth to bring creative and innovative ideas and solutions is a challenge.

General

Many recyclers are closing their doors due to lack of profitability, legislative pressures and lack of good staff. They are also being lured by the attractiveness of high real estate values to re-purpose land. Conversely, this gives competitive advantage to businesses who continue to operate and are trusted as MTA Queensland members.

Lawrie Beacham

Chair
APRD



Peter Dever

**Chair
Automotive Remarketing Division
(ARD)**



The used car market has seen its fair share of challenges this year. COVID-19 continues to wreak havoc on stock supply, exacerbated by the flooding events experienced at the beginning of the year.

Automotive Remarketing Division

Overview

The used car market has seen its fair share of challenges this year. COVID-19 continues to wreak havoc on stock supply, exacerbated by the flooding events experienced at the beginning of the year. Prices have remained firm, increasing in some instances due to demand.

Divisional Activities

In 2019, the Department of Transport and Main Roads undertook a review of the written-off vehicle scheme, resulting in proposed reforms that would improve vehicle standards and safety in Queensland. These changes included the introduction of a written-off heavy vehicle register, a revised quality of repair process, and statutory write-offs (considered uneconomical for repair) becoming ineligible for re-registration.

Since the Parliamentary Transport and Resources Committee report and recommendations were released, MTA Queensland and other peak industry associations and Stakeholders participated in a written off roundtable convened by TMR to discuss the recommendations and other possible solutions. MTA Queensland will continue to work with Government on the written off vehicle review for positive outcomes for industry.

After considerable lobbying by MTA Queensland, the Queensland Government introduced a three-month registration option for used car dealers, enabling them to register their stock short-term while waiting for sale. This has been a benefit to dealers but also to consumers who have up to 3 months registration on the vehicle rather than the balance which may have been for a considerably shorter period. This option will be reviewed by TMR to assess its effectiveness. MTA Queensland will be part of the consultation process.

Divisional Priorities

Our divisional priorities for the next 12 months are:

1. Continue to lobby government for mandatory on-the-job training periods for Motor Dealers licence applicants.
2. To further strengthen our relationship with Queensland Transport and the Office of Fair Trading.
3. Increase division member numbers.

General

The total number of used cars sold in Queensland for the 12 months to 30 June 2022 was 412,754 compared to 443,625 for the prior period.

The sales split for dealer-to-private was 133,751 and 279,003 for private-to-private, with almost half of private-to-private transactions related to vehicles valued at \$5,000 or less. These figures are based on used vehicle transfers processed for the state of Queensland.

If you are interested in following this sales data on a monthly basis, please contact Member Services to subscribe. Data includes price, vehicle type, age and postcode of buyers and sellers.

Odometer fraud continues to be a serious and increasing concern. We encourage all members to take precaution on all vehicle purchases using the platforms available for odometer history checks. Please make sure you are reporting this and unlicensed trading through our Dob in a Backyarder portal on the MTA Queensland website.

Peter Dever
Chair
ARD



Mark Bryers

Chair
Engine Reconditioners Association
of Queensland (ERAQ)



Interrupted and unreliable supply chains have resulted in limited access to stock, in turn, affecting productivity and business viability. Engine reconditioners have been impacted like other sectors.

Engine Reconditioners Association of Queensland

Overview

Global supply chain disruption is a very real issue affecting the automotive industry and numerous retail automotive businesses across the State. Interrupted and unreliable supply chains have resulted in limited access to stock, in turn, affecting productivity and business viability. Engine reconditioners have been impacted as with other sectors.

Divisional Activities

A very high number of vehicles are taking up workshop space waiting for parts. They have already been pulled down for assessment and waiting on parts orders for engine rebuilds and repair. It would not be unusual for these vehicles to now be sitting for months waiting for parts. This places limitations on taking in further work and affects cashflow for business.

There was concern raised at our committee meetings on parts supply if manufacturers close or vehicles over 10 years fall outside of the guaranteed parts supply period. This leaves engine reconditioners going to three to four different suppliers to procure parts to build engines, causing additional administration and freight charges, all resulting in increased costs. Another impact on parts supply is access to raw materials, like steel, with Australian factories having limited supply and overseas companies not keeping up with demand.

Shipping delays have increased over the financial year, extending out between three and 12 month delivery wait periods depending on the country of origin.

Divisional Priorities

Training and skilled labour continue to be issues for engine reconditioning like

all sectors or in fact all industries. It is common to get no applications or interest from advertisements placed on traditional mediums. Members are looking for other ways to recruit and we had some discussions on utilising MTA Institute's pre-vocational students that may not make mechanical apprentices but could fill warehousing or other roles. The outcome from this discussion was to showcase our industry to the participants who toured a few local facilities to understand all the options for a career in automotive.

We have been looking at more ways to expand online training for our industry, as it is important to train and retain current staff. However, it was acknowledged that with current staff levels so low it was difficult to send staff for training for extended periods of time. MTA Queensland's online micro credentials could be a solution.

General

Other committee groups have had success in a guest speaker format attracting more member participation at their meetings. We will be working toward this for future meetings. Until then, everyone can access our meetings on Teams and we welcome new participants. Keep an eye out for meeting notices in the Weekly Industry Bulletin and if you are not receiving this, make contact with MTA Queensland's Member Services team.

Mark Bryers

Chair
ERAQ



Andrea McCarthy

Chair
National Auto Collision Alliance
(NACA)



Our focus has been on building an improved profile and education piece for our industry, which needs to be underpinned by a toolkit that provides overarching information for individual business plans.

National Auto Collision Alliance

Overview

Our focus has been on building an improved profile and education piece for our industry, which needs to be underpinned by a toolkit that provides overarching information for individual business plans. Our model is unique in the automotive industry due to our relationships and contracts with insurance companies. And quite simply the KPIs and objectives for insurers are different to repairers. Insurance companies are driven by the need to minimise cost. Safe quality repairs are at the core of a repairer's responsibility.

Divisional Activities

Like many industries, lack of staff is putting pressure on businesses, so we need to work out new innovative ways to attract and retain people in our sector. Our industry should be presented as one of the most technically challenging and diverse, with our professional tradespeople referred to "technicians" who are paid accordingly. We need to project the sophistication of the work we undertake as collision repairers, involving complex and challenging work, and appreciate the value this adds to consumers by improving the descriptive language we use.

The Collision Repair Expo held in Melbourne was a huge success and well attended. The Capricorn Futures Collide Conference on the Gold Coast also created an opportunity to hear from industry speakers from around the country, as well as from overseas, who offered insight into technology that is here now and what is coming.

MTA Queensland continues to work with government on the review of the written-off vehicle legislation.

We are working with the MTA Institute to ensure the training modules for

apprentices aligns with the rapid technology changes.

We are developing information sheets to ensure consumers purchase appropriate insurance cover and are aware of their rights for choice of repairer.

Divisional Priorities

Strategies to attract more people to the automotive industry is a priority. To this end, we will explore development of a video series that aim to engage new talent and look to collaborate with panel industry stakeholders to develop these pooled resources. Education by using modern platforms and messaging to attract employees is important to showcase the opportunities and pathways in the sector.

We will create strategies that enable a better understanding of shop rate for our members and provide more clarity around allowable charges.

We will try to engage with more members throughout the State using Teams.

General

Our focus is to engage with more members and increase Divisional participation.

We will continue to push the consumer campaign to ensure that the public are looking for trusted MTA Queensland member businesses.

We need to address cost impacts for delays in parts, where towed vehicles are stored for longer periods of time or where vehicles sit after disassembly while waiting on parts.

Andrea McCarthy

Chair
NACA



Bruce Sommerfeld

Chair
Queensland Farm and Industrial
Machinery Dealers Division
(QFIMDD)



With the recent Federal election and the rise in interest rates, dealers have seen enquiries for new tractors and farming equipment starting to slow down from what it has been over the past 24 months.

Queensland Farm and Industrial Machinery Dealers Division

Overview

With the recent Federal election and the rise in interest rates, dealers have seen enquiries for new tractors and farming equipment starting to slow down from what it has been over the past 24 months. Stock of new tractors and farming equipment is still very slow coming into the country. These challenges have pushed the demand and prices of used farm machinery up over the last 12 months.

The farm machinery dealers are, like many other industries, still finding it difficult to recruit skilled and qualified staff.

Divisional Activities

There were two significant submissions for QFIMDD in this financial year. The first being the response on quad bike and side-by-side vehicle (SSV) safety. The main issues for consideration in the response were helmets, age and design restrictions, SSV seat belts and training.

Removing some ambiguity in relation to the use of helmets by quad bike and SSV operators in the workplace is warranted, especially given the fatality data cited and the increasing popularity of these vehicles. However, it needs to be recognised that the majority of the fatalities did not occur in a workplace but in a recreational and personal capacity, which is not covered by this or other regulatory proposals. Compliance will be a challenge given it will require a change in behaviours and attitude.

The second submission was for the 'right to repair' which enables consumers to have their products repaired at a competitive price using a repairer of their choice.

Passenger and light commercial vehicles make up most of the motor industry's

service and repair market. However, the agricultural machinery service and repair market is identified in the Inquiry Report as having some of the same issues that led to the establishment of the Motor Vehicle Service and Repair Information Sharing

Scheme (MV Scheme). These have also been highlighted in the May 2021 ACCC Report - Agricultural Machinery Market Study. Our submission focused on the draft recommendations and information requests to provide greater clarity in regard to service and repair rights, especially during the warranty period.

Divisional Priorities

Priorities for QFIMDD include promoting the MTA Institute to our members and non-members as an industry leading preferred training provider.

We will be closely monitoring the MV Scheme and how it may apply to agricultural machinery and after-sales service and repairs.

We have also prioritised lobbying government to continue apprentice wage and training subsidies.

General

Cattle prices have started to ease back in value. The very real threat for the Australian cattle industry at this time is foot and mouth disease being brought into the country which is very concerning for future.

Bruce Sommerfeld

Chair
QFIMDD



Paul Peterson

Chair
Queensland Motorcycle Industry
Division (QMID)



There remains strong demand for motorbikes across the industry with lead times on certain models out to over 12 months. Companies who have stock supply are picking up market share.

Queensland Motorcycle Industry Division

Overview

Supply chain issues continue to hinder service departments and motorcycle manufacturing. There remains strong demand for motorbikes across the industry with lead times on certain models out to over 12 months. Companies who have stock supply are picking up market share.

Divisional Activities

Deputy CEO for MTA Queensland Kellie Dewar and myself met with the Department of Transport and Main Roads to discuss electric “stand on” scooters and electric pushbikes in relation to foot path parking (free for all) which is not allowed by mopeds or motorcycles, except in small areas of some metropolitan cities. We discussed registration, penalties, safety and other regulations. We will continue to represent industry to advocate for safety and fairness.

We did a submission in collaboration with our farm and industrial machinery division, in response to the proposed new quad bike and side-by-side vehicle (SSV) safety laws. The main issues for consideration in the response were helmets, age and design restrictions, SSV seat belts and training. As with any regulatory reform the challenge will be achieving compliance and we recognise that the bulk of fatalities did not occur in a workplace but in a recreational environment not covered by this and the other regulatory proposals.

Divisional Priorities

Priorities lie with licensing and registration of the electric cycles and scooters and ongoing meetings with the Department of Transport and Main Roads to ensure an equal playing field.

There needs to be a review of Safety Certificates involving cost and the process of carrying out the inspections. The current fee schedule allows for \$58.40 charge, but this does not cover the time taken to complete the Certificate and administration.

The reintroduction of a brake test has become a major safety issue for motorcycle mechanics performing them. There needs to be a suitable location on the bike to attach the unit (which is not always possible). The mechanic must find a suitable and safe area to pull over to conduct the test. As we are aware, motorcyclists are vulnerable at the best of times. Whilst setting up the unit, the attention of the rider is not on the traffic and their surroundings, and the weather affects the ability to test if the unit is not 100% waterproof.

General

The motorcycle industry as a whole is travelling quite strongly. COVID-19 again changed our work environments when the borders were opened. Like most other divisions we talk about ways we can increase engagement with our members on relevant topics.

The division is currently discussing the issues surrounding staff shortages and training, which is a national problem and not one that will be resolved soon.

Paul Peterson

Chair
QMID



Grant Harrison

Chair
Rental Vehicle Industry Division
(RVID)



Whilst cautiously optimistic for the 2023 financial year, we will have to continue to navigate the increase in operating costs and supply chain problems, along with any decline in consumer sentiment resulting from interest rate rises and/or a reduction in discretionary spending.

Rental Vehicle Industry Division

Overview

There has been an improvement in trading conditions for the rental industry over the past 12 months despite some lockdowns in the first half.

Domestic tourism has continued to improve despite flight issues. International arrivals reached 1.08 million in July 2022, down from 2.26 million in January 2020. According to the Australian Bureau of Statistics, Queensland saw 64,000 short term international visitors in June 2022, up by 51,000 for the similar period last year. Whilst these are solid increases, they are 59% down on pre-COVID-19.

Some businesses are continuing to have difficulty in accessing funding.

Availability of stock is an ongoing issue and it is not uncommon to have 8 - 18 month lead times on vehicles and equipment.

Operating costs for rental fleets have increased through interest rates, CTP vehicle costs, insurance and pricing.

Queensland recorded the highest vehicle theft rate of any state in 2021 with 15,800 vehicles stolen.

The industry continues to navigate these and other challenges with the support of MTA Queensland lobbying.

Divisional Activities

MTA Queensland, APRD and RVID are working with Queensland Government, Queensland Police Service and regulators to better manage markets for stolen vehicle items such as diesel particulate diffusers (DPD)/filters (DPF) and catalytic converters (CC). The replacement cost of these items can be up to \$13k with three month lead times, presenting a material cost to business.

We have also had industry experts, Datium Insights, present an update on new and second-hand vehicle sales and forecasted future values.

The Department of Transport and Main Roads engaged with MTA Queensland and RVID earlier this year about the further extension of the digital Drivers Licence throughout Queensland. The next trial rollout is in Townsville after a successful rollout in Hervey Bay.

The division continues to work to provide value to members at the RVID meetings with more industry experts to attend and discuss topics that affect the industry.

Divisional Priorities

We continue to focus on support to industry and engagement with stakeholders to maximise value of membership.

We will continue to lobby for support to close potential second hand markets of DPF/DPD/CCs through improved vigilance of scrap and parts recyclers. The collaboration from the APRD has increased the visibility of this issue.

General

Overall market conditions have improved for the rental industry in the last year connected to a more buoyant tourism sector.

Whilst cautiously optimistic for the 2023 financial year, we will have to continue to navigate the increase in operating costs and supply chain problems, along with any decline in consumer sentiment resulting from interest rate rises and/or a reduction in discretionary spending.

Grant Harrison

Chair
RVID



Tim Kane

Chair
Service Station and Convenience
Store Association of Queensland
(SSCSAQ)



A key takeaway from this year's Carmageddon symposium was that the service station industry will remain largely unaffected by the transition to electric vehicles in the short term, with just 8 per cent of Australia's total fleet to go electric by 2030.

Service Station and Convenience Store Association of Queensland

Overview

A key takeaway from this year's Carmageddon symposium was that the service station industry will remain largely unaffected by the transition to electric vehicles in the short term, with just 8% of Australia's total fleet to go electric by 2030.

Without government intervention to develop new infrastructure and upgrade the existing power grid, the rollout of EV charging stations will remain slow. This pace may be further exacerbated by the high installation costs for little return.

The predicted AdBlue shortage facing the country has been avoided following a \$30 million investment from the Morrison Government in Incitec Pivot (IPL) to increase domestic manufacturing at its facility here in Queensland. AdBlue is the common and commercial name for diesel exhaust fluid, an anti-pollutant essential to most modern diesel engines, and without guaranteed supply, vehicles fuelled by diesel are under threat of running out of fuel.

More recently, our industry has experienced large swings in the retail pricing of fuel. This can be attributed to fluctuating terminal gate prices and the Australian dollar. The public has seen temporary relief at the bowser thanks to the Morrison Government's fuel excise discount, however, this has since ended.

As with most other industry sectors, labour shortages continue to impact many of our divisional member businesses. Following the recent Jobs Summit 2022, I, as well as I assume all employers, hope we will begin to see positive outcomes that begin to lead to an easing of the chronic staff shortages we are facing.

Divisional Activities

MTA Queensland and the Australasian Convenience and Petroleum Marketing Association (ACAPMA) have commenced looking at ways of working together collaboratively.

Considerations for a closer working relationship include:

- Share information to ensure broader access to timely information, services, and opportunities for the service station industry
- Uniting for a cohesive voice to Government on issues impacting the service station industry

At a national level, an agreed position can be represented by the ACAPMA as a national association, while MTA Queensland can take the lead on all state-based issues on behalf of both organisations. We are working together on broader arrangements for Training and access to the ACAPMA audit products.

Divisional Priorities

Our current priority is to monitor the EV agenda and make sure our members are kept up to date and can continue to react in market and make informed business decisions.

General

It is permanently on our agenda to retain and grow our membership base, as well as attract new members to join our committee. We are currently seeking two more members to fill the current vacancies that exist.

Tim Kane
Chair
SSCSAQ



Michael Hart

Chair
Tyre and Undercar Division of
Queensland (TUDQ)



There has been some growth in sales and service however reduced stock availability and labour shortages are impacting businesses in the tyre and underbody sector.

Tyre and Undercar Division of Queensland

Overview

There has been some growth in sales and service however reduced stock availability and labour shortages are impacting businesses in the tyre and underbody sector. There have been some recent improvements in stock shortages. Inflation is a big issue with some brands increasing their prices by 15%. This is well above CPI and is putting pressure on retailers to reduce margins.

Divisional Activities

Skilled staff and recruitment remain significant issues for our members and absenteeism remains a problem.

We have also had engagement with WorkCover Queensland and Workplace Health and Safety Queensland around the prevention of musculoskeletal injuries in the tyre sector. These organisations can help businesses limit workplace accidents and injuries which can have severe health impacts on individuals and have significant effects on general operations. As part of the Injury Risk Reduction Initiative pilot, businesses were able to access expertise and knowledge on how to prevent injuries in their workplace at no cost, with particular focus on ever-increasing rims and tyre weights and sizes. The average vehicle style has changed in the past 10 years where people are moving from family sedans (Commodores/Falcons) to larger SUVs resulting in larger wheel and tyre assemblies. Industry is trialling mechanical aids (wheel lifts) to reduce injuries in the workplace.

Other discussions with the Office of Industrial Relations and Workplace Health & Safety regarding prevention of injuries occurring in the industry, has resulted in discussions with tool manufacturers about a power battery tyre lift.

Divisional Priorities

Engaging with members will always be our priority. The online Teams platform has been a great asset in connecting with members in regional areas. We hope to increase meeting attendance and participation moving forward utilising the technology we have available.

End-of-Life Tyres (ELTs) are an ongoing concern, with costs rising for pickup of waste tyres by registered providers. Government estimates that around the equivalent of 51+ million passenger vehicle tyres become ELTs each year and that less than 5% (8 million pa) are recovered and properly managed within Australia. This is an issue that can only be solved when ELTs can be transformed into viable commodities, there are recycling options in market currently including re-purposing to create items like rubber bricks and playground surfaces. However there needs to be more new innovative solutions to cope with the volume of waste tyres.

General

Overall, there continues to be ongoing issues with supplies in the tyre industry.

Finding and retaining quality staff and labour is another problem creating instability and uncertainty for business owners.

Freight, cost of manufacturing, inflation and shipping are still impacting business operations right across the industry in Queensland, Australia and globally.

ELTs remain a significant environmental problem for the sector with surging prices for the safe removal and disposal.

Michael Hart

Chair
TUDQ



Lysa Dugandzic

**General Manager
Marketing and Communications**



We achieved 557.5k reach across all platforms, up 41.5% on last FY. This is due to increased traction on Facebook, largely due to the consumer marketing campaign.

Marketing and Communications Report

Social Media Platforms

Across the four social media platforms (Facebook, Instagram, Twitter and YouTube) we have a total of 7.8k social media followers representing a 7% increase (or 518 new followers) on previous FY.

The Auto Women Facebook Page and Group were launched early 2022 and have seen terrific growth with 258 followers.

We achieved 557.5k reach across all platforms, up 41.5% on last FY. This is due to increased traction on Facebook, largely due to the consumer marketing campaign. There was some drop off in reach for Instagram and Twitter due to reduced posts.

Our YouTube channel continues to be our biggest growth platform, with subscribers increasing by 53.6% due to videos in the Weekly Industry Bulletin attracting an additional 7.9k views.

Websites

We received 703.8k pageviews across the three websites (MTAQ; MTAI; MTAiQ) and the Member Portal, representing an increase of 77.7k on the last FY.

The member portal experienced the largest increase, growing by 62k pageviews. This was due to the introduction of EV labels to the shop, with 13.3k individuals clicking on the product to make purchases. The EV labels also led to growth on the MTA Queensland website, producing 28.1k views (prior to becoming a shop product).

Battery Electric/Hybrid Electric Training has become a popular topic on the MTA Institute website, with the HEV/BEV AURSS00064/AURSS00035 training pages recording collectively 6.5k pageviews.

Communications

23 Media Releases were issued resulting in media mentions reaching 2.2 million people, similar to last FY.

We received 188 media mentions with notable reach on topics:

- 2021 Industry Award finalists and winners
- Written-off vehicle checks and flooded vehicles
- New car delivery delays and prices

Weekly Industry Bulletin

The weekly e-newsletter statistics were:

- Average DELIVERIES – 11.2k (last FY 9.8K)
- Average OPEN RATE – 26.5% (last FY 16.25%)
- Average OPENS – 3k (last FY 1.6k)

The Weekly Industry Bulletin has become a primary content and information source for members and industry. Its readership has almost doubled in the last FY and is opened by an average of 3k people every week, with the open rate increasing to 26.54%. Comparatively the average open rate for industry newsletters is 21.33%.

Motor Trader e-Magazine

The monthly e-magazine statistics were:

- Average DELIVERIES – 13.25k (last FY 10.4k)
- Average OPEN RATE – 30% (last FY 21.7%)
- Average OPENS – 4k (last FY 2.3k)

Motor Trader has experienced exceptional growth in the last 12 months, with average opens almost doubling and open rate growing to 30%. There are close to 3k additional subscribers.



The Auto Women initiative launched at the beginning of 2022 ...

Events

Carmageddon – Thursday 22 July 2021

Excellent feedback was received for the event attracting 107 in-person and online attendees, including 16 exhibitors and 15 speakers.

Motor Trades Golf Day – Fri 3 Sept 2021

Feedback indicated a highly successful golf day and a sell-out event involving 96 players.

Industry Awards Gala – 20 Nov 2021

196 guests attended the Gala which included a new sponsor Milwaukee Tool providing all apprentices and the apprentice of the year with tools. The event made a \$13k profit.

Auto Women

The Auto Women initiative launched at the beginning of 2022 involving:

- Video production in conjunction with RACQ “It’s Hard to Be What You Cannot See”.
- Auto Women mentor team of nine established.
- Over 50 attendees at each ‘Auto Women Connect’ online event including some from interstate and overseas.
- New Facebook Page and Group established.
- New MTA Queensland members joining because of the initiative.

- Auto Women t-shirts sponsored by Spirit Super, Capricorn and Busy Sisters.
- The first Auto Women Scholarships awarded which were sponsored by Spirit Super, Women in Leadership Australia and MTA Queensland.

National Careers Institute Grant

\$248.2k was secured to deliver a 12-month program ‘Driving Automotive Women’s Careers’ (DAWC) to progress women’s careers in automotive. A Women’s Career Guidance Officer has been recruited to deliver DAWC.

Youngcare

As a proud Charity Partner for Youngcare, we raised \$20.6k in 2021.

Consumer Campaign

The campaign commenced in April 2022 with communication to all members outlining the objectives and requesting display of their MTA Queensland membership in various ways to enable the public to identify them as trusted businesses. Members responded strongly.

The campaign also targeted non-member businesses who train with the MTA Institute, as well as targeting via social media, *Motor Trader*, *Weekly Industry Bulletin* and media releases. Social media reach connected to the campaign was 254k.

Advertising on Facebook Marketplace and Gumtree involved a series of consumer-facing messages connected to vehicle

purchase warnings, which unfortunately received a significant amount of negative and off-topic commentary.

In addition to the mechanisms above, consumers were targeted directly at events including display booths at Capricorn trade days, AADA Conference and RACQ Motorfest.

There is also an extensive library of consumer facing articles (SEO linked to questions from Google searches by the public), which in time will generate traffic to websites and support members being chosen to supply automotive goods and services. <https://www.mtaq.com.au/car-advice>

Queensland training awards

2021 Apprentice of the Year Joshua Frampton was the winner for North Coast Region and a State Finalist.

VET Trainer Scholarship – Feb 2022

Attracted 13 applicants with one male and one female recipient.

AADA, AAAA, MTA Queensland Apprentice Survey

Findings of the survey to be used for government representation. Notably 53% of the respondents were from Queensland (328 of 619 students).

Lysa Dugandzic

General Manager
Marketing and Communications



Susan Davis

Chair
MTA Institute



... the MTA Institute continued to grow its apprentice cohort throughout the state with a significant increase in apprenticeship numbers, whilst maintaining its position as the leader in automotive apprenticeship training in Queensland.

MTA Institute Chair Report

The MTA Institute has continued to deliver robust training and skilling outcomes to its learners in the automotive industry across Queensland. The ongoing skills shortages in the industry and the strong tightening in the labour market has placed pressure on our staff, trainers, employers and industry alike to a level rarely experienced before. We have all worked through many opportunities and challenges in the 2021-22 financial year to continue to build on our unique training offering and to ensure a professional approach to our student learning experience was delivered efficiently but with expected outcomes for all our stakeholders.

As Queensland's largest independent Registered Training Organisation (RTO) for automotive apprenticeships, the MTA Institute prides itself on delivering high levels of student and employer satisfaction. The 2021 VET Student outcomes report completed by National Centre for Vocational Education Research (NCVER) recorded outstanding levels of satisfaction, including 90.6% learners' satisfaction and 87.3% of the respondents prepared to recommend us as their training provider. This is a very pleasing result, particularly when compared to other private providers in QLD who achieved 72.7% satisfaction or when considering and comparing to all public and private providers in Australia, who achieved 73.7% satisfaction.

This is a tremendous result for our training team and one the Board and our management are very proud of and would like to acknowledge and thank them for their hardworking efforts, particularly through another year where COVID-19 disrupts continued to occur.

This is an even more extraordinary achievement, knowing the MTA Institute continued to grow its apprentice cohort

throughout the state with a significant increase in apprenticeship numbers, whilst maintaining its position as the leader in automotive apprenticeship training in Queensland. Of particular interest to the Board is that some 64% of our apprentices are training in regional Queensland, where skilled automotive labour is greatly needed. It is well known that a student that can train within their home region, are more than likely to stay and reside within their home region, which continues to be of economic importance to Queensland. We pride ourselves on delivering workplace relevant skills in the workplace and it is pleasing to see this is recognised by our apprentices and their employers.

The MTA Institute remains focussed on compliance with the Australian Skills Quality Authority (ASQA) Standards in relation to the Automotive Retail, Service and Repair training packages. This was underpinned by our Continuous Improvement Committee and industry engagement through the MTA Queensland Committees, to maintain contemporary assessment tools and training resources.

Despite our success this year, we cannot afford to rest on our laurels. There continues to be critical skills shortages across the State, and we are endeavoring to meet those needs through an ever-diversifying approach to training. Some examples of our broadening skills agenda include:

- Auto Ready program to give 14 to 17-year-old school students hands-on experience in a range of different automotive skills, from new technology to the principles and maintenance of a vehicle, during the school holidays;
- Automotive Vocational Preparation programs to prepare learners for the work required in the automotive industry. These programs provided a



I am personally very proud that the MTA Institute is supporting the MTA Queensland's Auto Women initiative.

comprehensive set of skills to introduce learners into the automotive industry with over half achieving gainful employment;

- Trade Skills and Gap Training Program to over 300 participants. This program created value for automotive businesses through developing a qualified workforce and building individual skills to support their career goals;
- accredited courses to assist in licensing including Motor Salesperson, Motor Vehicle Dealers, Motor Dealer Wrecker and Motor Wrecker Salesperson courses;
- trade programs to allow qualified automotive tradespeople to access Higher Level Skill Sets, including Hybrid Electric Vehicle and Battery Electric Vehicle technology;
- professional development for learners in our non-accredited training products, including vehicle maintenance, Advanced Driver Assistance Systems (ADAS) and welding courses; and
- micro-credentials to offer short, affordable, and immediate skill upgrades in an industry-focused area. Ranging from ADAS, hybrid and battery electric vehicle basics, workplace relations and customer service, each micro-credential is designed to meet current industry needs

In a move to help support the labour shortages in the automotive industry, we have commenced a program to train international students. With travel restrictions being reduced and the Australian borders reopening, the focus on international training has begun to diversify beyond our apprenticeship model and to provide a further avenue for workplace skills. MTA Institute is looking forward to delivering its first intake of international students in the first half of 2023.

I am personally very proud that the MTA Institute is supporting the MTA Queensland's Auto Women initiative. With less than 5% of apprentices in the automotive industry being female, this is an important initiative to create a supportive environment for women working across the automotive industry to network, share experiences and grow. It is our goal to increase the uptake of more female's entering the automotive workforce through apprenticeships or related training.

We also continue to provide ongoing recognition of our automotive apprentices through our Apprentice of the Month awards. Nominations for this award are of high standard and culminated with Joshua Frampton from Cricks Maroochydore being awarded the 2021 Apprentice of the Year award

and the North Coast regional apprentice winner for the 2022 state training awards.

The Board would also like to acknowledge the MTA Institute 2021 trainer of the year, Don Lerm. Don has spent over 17 years as a trainer for MTA Institute and is highly regarded by his peers and staff.

I would also like to acknowledge the other MTA Institute Board members for their ongoing support and assistance in the strategic direction of our training over the last 12 months. The Board of Directors over the 2021/22 financial year consisted of:

- Professor Michael Milford - Director
- Mr Paul Peterson - Director
- Mr James Robertson - Director

In closing, whilst there has been a lot of change across the industry, we recognise this will continue and are excited about the many training opportunities it will provide us moving forward. Through the continuing hardworking efforts, commitment and dedication of our CEO, Rod Camm, management team, staff and trainers, the MTA Institute will continue to be the training provider of choice for the automotive industry.

Susan Davis
Chair
MTA Institute



Motor Trades Association of Queensland Industrial Organisation of Employers Financial Report

Financial Report For the year ended 30th June 2022



Kathy Winkcup

Chief Financial Officer
MTA Queensland

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Auditor's Report



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To the members of Motor Trades Association of Queensland Industrial Organisation of Employers (MTAQ)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Motor Trades Association of Queensland Industrial Organisation of Employers (MTAQ) (the reporting unit), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion the accompanying financial report of Motor Trades Association of Queensland Industrial Organisation of Employers (MTAQ), presents fairly, in all material respects the reporting unit's financial position as at 30 June 2022 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and any other requirement imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

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 reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Committee of Management are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Motor Trades Association of Queensland Industrial Organisation of Employers (MTAQ) operating report, 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 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 Committee of Management for the Financial Report

The Committee of Management of the reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity 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:

- 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 my 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's 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 Reporting Unit'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 my 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 Reporting Unit 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

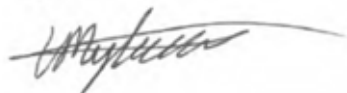
We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during our audit.

This description forms part of our auditor's report.

Declaration by the auditor

I, L G Mylonas, declare that I am a registered auditor, a member of the Chartered Accountants Australia New Zealand and hold a current Public Practice Certificate.

BDO Audit Pty Ltd

BDO


L G Mylonas

Director

Brisbane, 04 October 2022

Registration number (as registered by the RO Commissioner under the Act): AA2021/5

Report required under subsection 255(2A)

For the year ended 30th June 2022

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30th June 2022.

CATEGORIES OF EXPENDITURES	2022 \$	2021 \$
Remuneration and other employment-related costs and expenses – employees	7,552,497	6,770,404
Advertising	67,947	47,511
Operating costs	2,246,328	1,898,109
Donations to political parties	–	–
Legal costs	36,097	32,181



James Robertson
Secretary

Dated: 04 October 2022

Operating Report

For the year ended 30th June 2022

The committee of management presents its operating report on the reporting unit for the year ended 30th June 2022.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

- (a) The federal reporting unit operates as an organisation of employers registered under the Fair Work (Registered Organisations) Act 2009 (Cth).
- (b) The principal activities of the federal reporting unit fell into the following categories:
- To promote, advance and protect the interest of the motor vehicle industry and associated trades or businesses in Queensland and to conserve the interest of Members;
 - To advocate, advance and protect the interests of employers connected with the motor vehicle industry and associated trades or businesses in Queensland;
 - To consider and deal with any questions relevant to the motor vehicle industry and associated trades or businesses;
 - To participate in, promote and encourage all forms of education and training supportive of the development of the motor vehicle industry and associated trades or businesses in Queensland; and
 - To do any such other lawful things as may appear to be incidental or conducive to the above objects of any of them.
- (c) There have been no significant changes in the nature of the principal activities of the federal reporting unit in the financial year ending 30th June 2022.
- (d) The federal reporting unit has achieved satisfactory results from the above activities.

Significant changes in financial affairs

There was no significant change to the financial activities of the federal reporting unit for the financial year ended on 30th June 2022.

Right of members to resign

- (a) A Member may resign from MTA Queensland upon giving written notice of the Member's intention to do so, addressed and delivered to the Secretary of MTA Queensland.
- (b) A notice of termination from MTA Queensland takes effect:
- (i) where the Member ceases to be eligible to become a Member of MTA Queensland:
 - (a) on the day on which the notice is received by the Member; or
 - (b) on the day specified in the notice, which is a day not earlier than the day when the Member ceases to be eligible to become a Member; whichever is later; or
 - (ii) in any other case:
 - (a) at the end of two (2) weeks after the notice is received by the Member; or
 - (b) on the day specified in the notice, whichever is later.

Operating report

"No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation."

Number of members

The number of members recorded on the register of members as at 30th June 2022 was 1,370.

Operating Report continued

For the year ended 30th June 2022

Number of employees

The federal reporting unit had 70 employees as at 30th June 2022.

Names of committee of management members and period positions held during the financial year

For the year of 1st July 2021 to 30th June 2022 the federal reporting unit's Committee of Management comprised of the following persons:

Name of officer	Position	Period
Paul John Peterson	Board Member MTAQ Chairman MTAQ Chairman Qld Motorcycle Industry Division	1 July 2021 to 30th June 2022
Mark Bryers	Vice Chairman MTAQ Board Member MTAQ Chairman Engine Reconditioners Association of Qld	1 July 2021 to 30th June 2022
James William George Robertson	Board Member MTAQ Secretary MTAQ Central District Representative	1 July 2021 to 30th June 2022
Bruce Sommerfeld	Board Member MTAQ Chairman Qld Farm & Industrial Machinery Dealers Division	1 July 2021 to 30th June 2022
Andrea McCarthy	Board Member MTAQ Chairman National Auto Collision Alliance	1 July 2021 to 30th June 2022
Mark Billingsley	Board Member MTAQ North Qld District Representative	1 July 2021 to 23rd May 2022
Rodney Pether	Board Member MTAQ North Qld District Representative	23rd May to 30th June 2022
Mark David Dodge	Board Member MTAQ Far North Qld District Representative Chairman Automotive Engineers Division	1 July 2021 to 30th June 2022
Lawrence John Beacham	Board Member MTAQ Chairman Automotive Parts Recyclers Division	1 July 2021 to 30th June 2022
Peter Dever	Board Member MTAQ Chairman Automotive Remarketing Division	1 July 2021 to 30th June 2022
Grant Harrison	Board Member MTAQ Chairman Rental Vehicle Industry Division	1 July 2021 to 30th June 2022
Timothy Joseph Kane	Board Member MTAQ Chairman Service Station and Convenience Store Association Qld	1 July 2021 to 30th June 2022
Michael Hart	Board Member MTAQ Chairman Tyre and Undercar Division of Queensland	1 July 2021 to 30th June 2022

Names of Directors of MTA Institute of Technology Pty Ltd and period positions held during the financial year

For the year of 1st July 2021 to 30th June 2022 Board of Directors of MTA Institute of Technology Pty Ltd comprised of the following persons:

Name of officer	Position	Period
Susan Davis	Director - Chair	1 July 2021 to 30th June 2022
James William George Robertson	Director - Deputy Chair	1 July 2021 to 30th June 2022
Paul John Peterson	Director	1 July 2021 to 30th June 2022
Michael Milford	Director	1 July 2021 to 30th June 2022



James Robertson
Secretary

Dated: 04 October 2022

Committee of Management Statement

For the year ended 30th June 2022

On 04/10/2022 the MTA Queensland Board of the *Motor Trades Association of Queensland Industrial Organisation of Employers* passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30th June 2022:

The MTA Queensland Board of the *Motor Trades Association of Queensland Industrial Organisation of Employers* declares that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the GPFR relates and since the end of that year:
 - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
 - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the committee of management.



Paul Peterson
Chairman

04 October 2022 Brisbane



James Robertson
Secretary

04 October 2022 Brisbane

Consolidated Statement of Profit or Loss and Comprehensive Income

For the year ended 30th June 2022

		Consolidated	
	Notes	2022 \$	2021 \$
REVENUE FROM CONTRACTS WITH CUSTOMERS			
Membership Membership subscription		1,201,042	1,074,282
Training		9,496,925	8,214,919
Other sales of goods or services to members		251,105	151,475
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	3	10,949,072	9,440,676
INCOME FOR FURTHERING OBJECTIVES			
Grants and/or donations	3A	28,448	762,360
TOTAL INCOME FOR FURTHERING OBJECTIVES		28,448	762,360
OTHER INCOME			
Investment income	3B	501,960	356,650
Rental revenue		15,616	3,100
Net gains from sale of assets	3C	-	17,293
Other revenue		185,001	63,966
TOTAL OTHER INCOME		702,577	441,009
TOTAL INCOME		11,680,097	10,644,045
EXPENSES			
Employee expenses	4A	(7,552,497)	(6,770,404)
Administration expenses	4B	(1,513,346)	(1,267,945)
Grants or donations	4C	(21,600)	(8,340)
Depreciation and amortisation	4D	(765,335)	(767,580)
Finance costs	4E	(18,803)	(22,372)
Legal costs	4F	(36,097)	(32,181)
Audit fees	14	(56,084)	(54,031)
Insurance		(85,363)	(80,655)
Motor Vehicle		(198,054)	(166,989)
Cost of goods sold		(439,828)	(367,660)
TOTAL EXPENSES		(10,687,007)	(9,538,157)
SURPLUS (DEFICIT) FOR THE YEAR		993,090	1,105,888
OTHER COMPREHENSIVE INCOME			
Items that will be subsequently reclassified to profit or loss			
Gain/(loss) on investments at fair value through other comprehensive income (FVTOCI)		(309,862)	656,355
Items that will not be subsequently reclassified to profit or loss			
Gain/(loss) on revaluation of land & buildings		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		683,228	1,762,243

The above statement should be read in conjunction with the notes.

Consolidated Statement of Financial Position

As at 30th June 2022

	Notes	2022 \$	Consolidated 2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	7,237,234	6,135,262
Trade and other receivables	5B	2,327,083	2,440,356
Inventory	5C	99,467	50,164
Other current assets	5D	308,785	348,469
Total current assets		9,972,569	8,974,251
Non-current Assets			
Land and buildings	6A	12,093,750	12,362,500
Plant and equipment	6B	916,541	1,003,090
Intangibles	6C	62,225	27,948
Right-of-use assets	6D	191,096	278,086
Other non-current assets	6E	5,021,741	4,908,195
Total non-current assets		18,285,353	18,579,819
TOTAL ASSETS		28,257,922	27,554,070
LIABILITIES			
Current Liabilities			
Trade payables	7A	660,735	612,401
Other payables	7B	1,531,073	1,602,640
Employee provisions	8A	1,031,027	410,527
Lease liabilities	6D	135,102	159,770
Total current liabilities		3,357,937	2,785,338
Non-current Liabilities			
Employee provisions	8A	60,659	555,654
Lease liabilities	6D	45,380	102,360
Total non-current liabilities		106,039	658,014
TOTAL LIABILITIES		3,463,976	3,443,352
NET ASSETS		24,793,946	24,110,718
EQUITY			
General funds	10A	633,023	942,885
Reserves	10A	5,327,393	5,327,393
Retained earnings (accumulated deficit)		18,833,530	17,840,440
TOTAL EQUITY		24,793,946	24,110,718

The above statement should be read in conjunction with the notes.

Consolidated Statement of Changes In Equity

For the year ended 30th June 2022

		General Funds/ Reserves \$	Consolidated Retained earnings \$	Total equity \$
	Notes			
Balance as at 1 July 2020		5,613,923	16,734,552	22,348,475
Adjustment for changes in accounting policies				
Surplus / (deficit)		-	1,105,888	1,105,888
Other comprehensive income		656,355	-	656,355
Transfer to/from reserves		-	-	-
CLOSING BALANCE AS AT 30 JUNE 2021		6,270,278	17,840,440	24,110,718
Surplus / (deficit)		-	993,090	993,090
Other comprehensive income		(309,862)	-	(309,862)
Transfer to/from reserves	10A	-	-	-
CLOSING BALANCE AS AT 30TH JUNE 2022		5,960,416	18,833,530	24,793,946

The above statement should be read in conjunction with the notes.

Consolidated Statement of Cash Flows

For the year ended 30th June 2022

		Consolidated	
	Notes	2022 \$	2021 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from customers		12,624,482	10,304,584
Donations and grants		32,803	763,739
Interest		30,000	55,644
Dividends		196,223	70,235
Other		-	-
Cash used			
Suppliers and Employees		(10,900,355)	(9,952,484)
Interest payments		(18,802)	(22,372)
NET CASH FROM (USED BY) OPERATING ACTIVITIES	11A	1,964,351	1,219,346
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of investments		1,123,122	1,235,186
Proceeds from sale of plant and equipment		-	-
Cash used			
Purchase of plant and equipment and intangibles		(234,347)	(418,039)
Payment for investments		(1,546,530)	(1,449,797)
NET CASH FROM (USED BY) INVESTING ACTIVITIES		(657,755)	(632,650)
FINANCIING ACTIVITES			
Cash used			
Repayment of lease liabilities		(175,445)	(163,995)
Net cash from (used by) financing activities		(175,445)	(163,995)
Net increase (decrease) in cash held		1,101,972	422,701
Cash & cash equivalents at the beginning of the reporting period		6,135,262	5,712,561
CASH & CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	5A	7,237,234	6,135,262

The above statement should be read in conjunction with the notes.

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Notes to the Financial Statements

For the year ended 30th June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the Fair Work (Registered Organisation) Act 2009 (RO Act). For the purpose of preparing the general purpose financial statements, the Motor Trades Association of Queensland Industrial Organisation of Employers is a not-for-profit entity.

The financial statements, except cash flow information, have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Motor Trades Association of Queensland Industrial Organisation of Employers) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Wholly owned subsidiaries of the Motor Trades Association of Queensland Industrial Organisation of Employers:-

- MTA Institute of Technology Pty Ltd
- Motor Trades Association of Queensland Ltd
- MTAQ Management Pty Ltd
- MTA Global Pty Ltd
- MTAQ Trust

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the group from the date on which control is obtained by the Group. There are no restriction on the Group's ability to access or use assets and settle liabilities of the subsidiary by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the group. There were no change in the control of the subsidiaries during the year and the subsidiaries continue to 100% owned by the Group consistent with prior year.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". There are no non-controlling interest to report for the current or prior year as the Group owns 100% of the subsidiaries.

1.3 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

- International Financial Reporting Standards Interpretations Committee (IFRS IC) agenda decision on configuration or customisation costs in cloud computing or Software-as-a-Service (SaaS) arrangements
- AASB 2021-3 Amendments to AASs – COVID-19-Related Rent Concessions beyond 30 June 2021

No accounting standard has been adopted earlier than the application date stated in the standard.

Impact on application of IFRS IC agenda decision on configuration or customisation costs in cloud computing or SaaS arrangements

In April 2021, the IFRS IC published an agenda decision relating to the accounting for configuration and customisation costs incurred related to a SaaS arrangement. As a result, the [reporting unit] has changed its accounting policy in relation to configuration and customisation costs incurred in implementing SaaS arrangements.

The amendments had no impact on the financial statements of the reporting entity.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on Motor Trades Association of Queensland Industrial Organisation of Employers include:

- AASB 17 *Insurance Contracts*
- AASB 2020-3 Amendment to AASB 141 – *Taxation in Fair Value Measurements*
- AASB 2020-3 Amendment to AASB 1 – *Subsidiary as a First-time Adopter*
- AASB 2020-3 Amendments to AASB 137 – *Onerous Contracts – Cost of Fulfilling a Contract*
- AASB 2020-3 Amendments to AASB 116 – *Property, Plant and Equipment: Proceeds before Intended Use*
- AASB 2020-31 Amendment to AASB 9 – *Fees in the '10 per cent' Test for Derecognition of Financial Liabilities*

AASB 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

Adoption of this amendment is not expected to have a material impact on the statement of financial position.

1.5 Acquisition of assets and or liabilities that do not constitute a business combination

Motor Trades Association of Queensland Industrial Organisation of Employers did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

1.6 Current versus non-current classification

Motor Trades Association of Queensland Industrial Organisation of Employers presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Motor Trades Association of Queensland Industrial Organisation of Employers classifies all other liabilities as non-current.

1.7 Revenue

The Motor Trades Association of Queensland Industrial Organisation of Employers enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Motor Trades Association of Queensland Industrial Organisation of Employers has a contract with a customer, the Motor Trades Association of Queensland Industrial Organisation of Employers recognises revenue when or as it transfers control of goods or services to the customer. The Motor Trades Association of Queensland Industrial Organisation of Employers accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Motor Trades Association of Queensland Industrial Organisation of Employers.

If there is only one distinct membership service promised in the arrangement, the Motor Trades Association of Queensland Industrial Organisation of Employers recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Motor Trades Association of Queensland Industrial Organisation of Employers promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Motor Trades Association of Queensland Industrial Organisation of Employers allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Motor Trades Association of Queensland Industrial Organisation of Employers charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Motor Trades Association of Queensland Industrial Organisation of Employers recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Motor Trades Association of Queensland Industrial Organisation of Employers has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Motor Trades Association of Queensland Industrial Organisation of Employers at their standalone selling price, the Motor Trades Association of Queensland Industrial Organisation of Employers accounts for those sales as a separate contract with a customer.

Capitation fees

Where the Motor Trades Association of Queensland Industrial Organisation of Employers arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Motor Trades Association of Queensland Industrial Organisation of Employers recognises the capitation fees promised under that arrangement when or as it transfers the goods or service.

In circumstances where the criteria for a contract with a customer are not met, the Motor Trades Association of Queensland Industrial Organisation of Employers will recognise capitation fees as income upon receipt.

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Motor Trades Association of Queensland Industrial Organisation of Employers transfers the goods or service.

In circumstances where the criteria for a contract with a customer are not met, the Motor Trades Association of Queensland Industrial Organisation of Employers will recognise levies as income upon receipt.

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

1.7 Revenue continued

Income of the Motor Trades Association of Queensland Industrial Organisation of Employers as a Not-for-Profit Entity

Consideration is received by the Motor Trades Association of Queensland Industrial Organisation of Employers to enable the entity to further its objectives. The Motor Trades Association of Queensland Industrial Organisation of Employers recognises each of these amounts of consideration as income when the consideration is received (which is when the Motor Trades Association of Queensland Industrial Organisation of Employers obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Motor Trades Association of Queensland Industrial Organisation of Employers recognition of the cash contribution does not give to any related liabilities.

During the year, Motor Trades Association of Queensland Industrial Organisation of Employers received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- donations and voluntary contribution from members (including whip arounds); and
- government grants.

Income recognised from transfers

Where, as part of an enforceable agreement, the Motor Trades Association of Queensland Industrial Organisation of Employers receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Motor Trades Association of Queensland Industrial Organisation of Employers own use, a liability is recognised for the obligation to acquire or construct the asset. Income is recognised as the obligation to acquire or construct the asset is satisfied, which is typically over time. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

Revenue recognition policies applicable to comparatives

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Interest income

Interest revenue is recognised on an accrual basis using the effective interest method.

1.8 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The Motor Trades Association of Queensland Industrial Organisation of Employers recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.9 Leases

The Motor Trades Association of Queensland Industrial Organisation of Employers assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Motor Trades Association of Queensland Industrial Organisation of Employers as a lessee

The Motor Trades Association of Queensland Industrial Organisation of Employers applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Motor Trades Association of Queensland Industrial Organisation of Employers recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Motor Trades Association of Queensland Industrial Organisation of Employers recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2022	2021
Plant and equipment	3 to 5 years	3 to 5 years

If ownership of the leased asset transfers to the Motor Trades Association of Queensland Industrial Organisation of Employers at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

1.9 Leases continued

Lease liabilities

At the commencement date of the lease, the Motor Trades Association of Queensland Industrial Organisation of Employers recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Motor Trades Association of Queensland Industrial Organisation of Employers and payments of penalties for terminating the lease, if the lease term reflects the Motor Trades Association of Queensland Industrial Organisation of Employers exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Motor Trades Association of Queensland Industrial Organisation of Employers uses the incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

1.10 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts.

1.12 Financial instruments

Financial assets and financial liabilities are recognised when the Motor Trades Association of Queensland Industrial Organisation of Employers entity becomes a party to the contractual provisions of the instrument.

1.13 Financial assets

Contract assets and receivables

A contract asset is recognised when the Motor Trades Association of Queensland Industrial Organisation of Employers right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Motor Trades Association of Queensland Industrial Organisation of Employers future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Motor Trades Association of Queensland Industrial Organisation of Employers business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Motor Trades Association of Queensland Industrial Organisation of Employers initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Motor Trades Association of Queensland Industrial Organisation of Employers business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Motor Trades Association of Queensland Industrial Organisation of Employers commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Motor Trades Association of Queensland Industrial Organisation of Employers has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the Motor Trades Association of Queensland Industrial Organisation of Employers has transferred substantially all the risks and rewards of the asset, or
 - b) the Motor Trades Association of Queensland Industrial Organisation of Employers has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Motor Trades Association of Queensland Industrial Organisation of Employers has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

1.13 Financial assets continued

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Motor Trades Association of Queensland Industrial Organisation of Employers continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Expected credit losses ("ECL")

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Motor Trades Association of Queensland Industrial Organisation of Employers applies a simplified approach in calculating expected credit losses which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Motor Trades Association of Queensland Industrial Organisation of Employers does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Motor Trades Association of Queensland Industrial Organisation of Employers has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment

1.14 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Motor Trades Association of Queensland Industrial Organisation of Employers financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at fair value through profit or loss (including designated)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 Financial Instruments are satisfied.

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.15 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Motor Trades Association of Queensland Industrial Organisation of Employers transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Motor Trades Association of Queensland Industrial Organisation of Employers performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Motor Trades Association of Queensland Industrial Organisation of Employers refund liabilities arise from customers' right of return. The liability is measured at the amount the Motor Trades Association of Queensland Industrial Organisation of Employers ultimately expects it will have to return to the customer. The Motor Trades Association of Queensland Industrial Organisation of Employers updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

1.16 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.17 Land, buildings, plant and equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

1.17 Land, buildings, plant and equipment continued

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2022	2021
Land & buildings	40 years	40 years
Plant and equipment	2 to 7 years	2 to 7 years
Motor Vehicles	3 years	3 years
Leased Assets	5 years	5 years
Fixture and Fittings	5 years	5 years

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.18 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of Motor Trades Association of Queensland Industrial Organisation of Employers intangible assets are:

	2022	2021
Intangibles	1 to 3 years	1 to 3 years

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

1.19 Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Motor Trades Association of Queensland Industrial Organisation of Employers were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.20 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

1.21 Taxation

The Motor Trades Association of Queensland Industrial Organisation of Employers is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.22 Fair value measurement

The Motor Trades Association of Queensland Industrial Organisation of Employers measures financial instruments, such as, financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

1.22 Fair value measurement continued

The principal or the most advantageous market must be accessible by the Motor Trades Association of Queensland Industrial Organisation of Employers. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Motor Trades Association of Queensland Industrial Organisation of Employers uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Motor Trades Association of Queensland Industrial Organisation of Employers determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Motor Trades Association of Queensland Industrial Organisation of Employers has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.23 Going concern

Motor Trades Association of Queensland Industrial Organisation of Employers is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

Motor Trades Association of Queensland Industrial Organisation of Employers has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

1.24 Comparatives

Where required, comparative figures have been updated to conform to changes in presentation for the current financial year.

NOTE 2: EVENTS AFTER THE REPORTING PERIOD

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Motor Trades Association of Queensland Industrial Organisation of Employers, the results of those operations, or the state of affairs of the Motor Trades Association of Queensland Industrial Organisation of Employers in subsequent financial periods.

NOTE 3: REVENUE AND INCOME

Disaggregation of revenue from contracts with customers

A disaggregation of the Motor Trades Association of Queensland Industrial Organisation of Employers revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

	2022	Consolidated	2021
	\$		\$
Type of customer			
Members subscriptions	1,201,042		1,074,282
Other reporting units	-		-
Government	8,676,770		7,500,966
Members training	820,155		713,953
Other parties	251,105		151,475
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	10,949,072		9,440,676

NOTE 3A: GRANTS OR DONATIONS

Grants	28,448	762,360
Donations	-	-
TOTAL GRANTS OR DONATIONS	28,448	762,360

NOTE 3B: INVESTMENT INCOME

Interest	30,000	55,645
Deposits	-	-
FX gains or (losses) on sale	275,737	230,770
Dividends	196,223	70,235
TOTAL INVESTMENT INCOME	501,960	356,650

NOTE 3C: NET GAINS FROM SALE OF ASSETS

Plant and equipment	-	17,293
Intangibles	-	-
TOTAL NET GAIN FROM SALE OF ASSETS	-	17,293

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 4: EXPENSES

	2022	Consolidated	2021
	\$		\$
NOTE 4A: EMPLOYEE EXPENSES			
Holders of office			
Wages and salaries	1,185,182		1,147,412
Superannuation	115,500		95,399
Leave and other entitlements	13,835		(58,960)
Separation and redundancies	-		-
Other employee expenses	28,824		48,498
Subtotal employee expenses holders of office	1,343,341		1,232,349
Employees other than office holders:			
Wages and salaries	5,600,574		5,012,181
Superannuation	543,936		411,058
Leave and other entitlements	13,577		82,748
Separation and redundancies	-		-
Other employee expenses	51,070		32,068
Subtotal employee expenses employees other than office holders	6,209,156		5,538,055
TOTAL EMPLOYEE EXPENSES	7,552,497		6,770,404

NOTE 4B: ADMINISTRATION EXPENSES

Conference and meeting expenses	7,407		889
Contractors/consultants	315,521		225,457
Property expenses	174,508		169,275
Office expenses	276,891		265,711
Information communications technology	297,802		300,206
Other	441,217		306,407
TOTAL ADMINISTRATION EXPENSE	1,513,346		1,267,945

NOTE 4C: GRANTS OR DONATIONS

Grants

Total expensed that were \$1,000 or less	-		-
Total expensed that exceeded \$1,000	-		-

Donations

Total expensed that were \$1,000 or less	1,080		4,140
Total expensed that exceeded \$1,000	20,520		4,200

TOTAL GRANTS OR DONATIONS	21,600		8,340
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	2022	Consolidated	2021
	\$		\$
NOTE 4D: DEPRECIATION AND AMORTISATION			
Depreciation			
Land & buildings	268,750		268,750
Property, plant and equipment	286,619		301,646
Leases	180,787		159,180
TOTAL DEPRECIATION	736,156		729,576
Amortisation			
Intangibles	29,179		38,004
Total amortisation	29,179		38,004
TOTAL DEPRECIATION AND AMORTISATION	765,335		767,580
NOTE 4E: FINANCE COSTS			
Overdrafts/loans	18,803		22,372
TOTAL FINANCE COSTS	18,803		22,372
NOTE 4F: LEGAL COSTS			
Litigation	-		-
Other legal costs	36,097		32,181
TOTAL LEGAL COSTS	36,097		32,181
NOTE 5: CURRENT ASSETS			
NOTE 5A: CASH AND CASH EQUIVALENTS			
Cash at bank	2,173,228		974,376
Cash on hand	500		500
Short term deposits	5,063,506		5,160,386
TOTAL CASH AND CASH EQUIVALENTS	7,237,234		6,135,262

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 5: CURRENT ASSETS CONTINUED

	2022	Consolidated
	\$	2021
		\$
NOTE 5B: TRADE AND OTHER RECEIVABLES		
Receivables from other reporting unit	-	-
Trade Receivables	1,098,622	1,278,703
TOTAL RECEIVABLES	1,098,622	1,278,703
Less allowance for expected credit losses		
Receivables from other reporting unit	-	-
Trade Receivables	(10,739)	(17,490)
Total allowance for expected credit losses	(10,739)	(17,490)
TOTAL NET TRADE AND OTHER RECEIVABLES	1,087,883	1,261,213
Other receivables:		
Other	1,239,200	1,179,143
Total other receivables	1,239,200	1,179,143
TOTAL TRADE AND OTHER RECEIVABLES (NET)	2,327,083	2,440,356
The movement in the allowance for expected credit losses of trade and other receivables is as follows:		
At 1 July	(17,490)	(26,494)
Provision for expected credit losses	6,751	9,004
Write-off	-	-
At 30 June	(10,739)	(17,490)
NOTE 5C: INVENTORY		
Current		
Inventory	99,467	50,164
TOTAL CURRENT INVENTORIES	99,467	50,164
NOTE 5D: OTHER CURRENT ASSETS		
Prepayments	308,785	348,469
TOTAL OTHER CURRENT ASSETS	308,785	348,469

NOTE 6: NON-CURRENT ASSETS

	2022	Consolidated
	2021	
	\$	\$
NOTE 6A: LAND AND BUILDINGS		
Land and buildings		
Fair value	12,900,000	12,900,000
Accumulated depreciation	(806,250)	(537,500)
TOTAL LAND AND BUILDINGS	12,093,750	12,362,500
Reconciliation of opening and closing balances of land and buildings		
As at 1 July		
Gross book value	12,900,000	12,900,000
Accumulated depreciation and impairment	(537,500)	(268,750)
NET BOOK VALUE 1 JULY	12,362,500	12,631,250
Revaluations		-
Depreciation expense	(268,750)	(268,750)
NET BOOK VALUE 30 JUNE	12,093,750	12,362,500
Net book value as of 30 June represented by:		
Gross book value	12,900,000	12,900,000
Accumulated depreciation and impairment	(806,250)	(537,500)
NET BOOK VALUE 30 JUNE	12,093,750	12,362,500

The revalued land and buildings consist of land \$2,150,000 and buildings \$10,212,500 at Building 8, 2728 Logan Road, Eight Mile Plains Q 4113. Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property.

Fair value of the properties was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. The most recent valuation was obtained on the 30th April 2019. The valuation was adopted by management on 30th June 2019. The valuation was performed by CBRE Valuation Pty Limited an accredited independent valuer (Registered Valuer No.1735). The Group is satisfied that there has been no significant movement in the fair value since the last independent valuation performed and the carrying value represents the fair value.

Significant unobservable valuation input	Range
Value \$ per square meter of Net Lettable Area	\$3,047 - \$6,792

A significant increase (decrease) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

NOTE 6B: PLANT AND EQUIPMENT

Plant and equipment		
At cost	2,992,183	2,889,434
Accumulated depreciation	(2,075,642)	(1,886,344)
TOTAL PLANT AND EQUIPMENT	916,541	1,003,090

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 6: NON-CURRENT ASSETS CONTINUED

	2022	Consolidated
	\$	2021
		\$
NOTE 6B: PLANT AND EQUIPMENT <small>CONTINUED</small>		
Reconciliation of opening and closing balances of plant and equipment		
As at 1 July		
Gross book value	2,889,434	2,471,394
Accumulated depreciation and impairment	(1,886,344)	(1,584,698)
NET BOOK VALUE 1 JULY	1,003,090	886,696
Additions	200,070	418,040
Depreciation expense	(286,619)	(301,646)
Disposals	-	-
NET BOOK VALUE 30 JUNE	916,541	1,003,090
Net book value as of 30 June represented by:		
Gross book value	3,089,504	2,889,434
Accumulated depreciation and impairment	(2,172,963)	(1,886,344)
NET BOOK VALUE 30 JUNE	916,541	1,003,090
NOTE 6C: INTANGIBLES		
Computer software at cost		
Purchased	298,502	235,046
Accumulated amortisation	(236,277)	(207,098)
TOTAL INTANGIBLES	62,225	27,948
Reconciliation of opening and closing balances of intangibles		
As at 1 July		
Gross book value	235,046	235,047
Accumulated amortisation and impairment	(207,098)	(169,095)
NET BOOK VALUE 1 JULY	27,948	65,952
Additions	63,456	-
Amortisation	(29,179)	(38,004)
Disposals	-	-
NET BOOK VALUE 30 JUNE	(34,277)	27,948
Net book value as of 30 June represented by:		
Gross Book value	298,503	235,047
Accumulated amortisation and impairment	(236,277)	(207,098)
NET BOOK VALUE 30 JUNE	62,225	27,948

	2022	Consolidated	2021
	\$		\$

NOTE 6D: LEASES

Motor Trades Association of Queensland Industrial Organisation of Employer as a lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Motor vehicles \$	Printers \$	Total \$
As at 1 July 2020	264,279	13,807	278,086
Additions	87,370	9,427	93,797
Depreciation expense	(164,477)	(16,310)	(180,787)
Disposals	-	-	-
Impairment	-	-	-
AS AT 30TH JUNE 2022	187,172	3,924	191,096

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

As at 1 July	262,130	297,425
Additions	93,797	83,217
Payments	(175,445)	(163,995)
Others(Lease modification)	-	45,483
AS AT 30TH JUNE 2022	180,482	262,130
Current	135,102	159,770
Non-current	45,380	102,360

The maturity analysis of lease liabilities is disclosed in Note 15D.

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	180,787	173,126
Interest expense on lease liabilities	11,473	16,487
Expense relating to short-term leases	-	-
Expense relating to leases of low-value assets (included in administrative expenses)	-	-
Variable lease payments	-	-
TOTAL AMOUNT RECOGNISED IN PROFIT OR LOSS	192,260	189,613

For the year ended 30th June 2022, the Motor Trades Association of Queensland Industrial Organisation of Employers made fixed rental payments of \$180,787.

NOTE 6E: OTHER NON-CURRENT ASSETS

Investments	5,021,741	4,908,195
TOTAL OTHER NON-CURRENT ASSETS	5,021,741	4,908,195

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 7: CURRENT LIABILITIES

	2022	Consolidated	2021
	\$		\$
NOTE 7A: TRADE PAYABLES			
Trade creditors and accruals	660,735		612,401
Operating lease rentals	-		-
Subtotal trade creditors	660,735		612,401
TOTAL TRADE PAYABLES	660,735		612,401

Settlement is usually made within 30 days.

NOTE 7B: OTHER PAYABLES

Wages and salaries	-		15,075
Superannuation	-		44,973
Prepayments received/unearned revenue	1,327,771		1,350,790
GST payable	60,548		38,421
Other	142,754		153,381
TOTAL OTHER PAYABLES	1,531,073		1,602,640

Total other payables are expected to be settled in:

No more than 12 months	1,531,073		1,602,640
More than 12 months	-		-
TOTAL OTHER PAYABLES	1,531,073		1,602,640

NOTE 8: PROVISIONS

NOTE 8A: EMPLOYEE PROVISIONS

Office holders:			
Annual leave	78,107		68,646
Long service leave	107,489		92,376
Subtotal employee provisions—office holders	185,596		161,022
Employees other than office holders:			
Annual leave	402,618		341,881
Long service leave	503,472		463,278
Subtotal employee provisions—employees other than office holders	906,090		805,159
TOTAL EMPLOYEE PROVISIONS	1,091,686		966,181
Current	480,725		410,527
Non-current	610,961		555,654
TOTAL EMPLOYEE PROVISIONS	1,091,686		966,181

NOTE 9: NON-CURRENT LIABILITIES

	2022	Consolidated	2021
	\$		\$
Non-current liabilities	-		-
TOTAL EMPLOYEE PROVISIONS	-		-

NOTE 10: EQUITY

NOTE 10A: RESERVES

Revaluation increments/(decrements) – Dalton Nicol Reid Portfolio

Balance as at start of year	942,885	286,530
Transferred to reserve	633,023	942,885
Transferred out of reserve	(942,885)	(286,530)
Balance as at end of year	633,023	942,885

Revaluation increments/(decrements) – Land & Buildings

Balance as at start of year	5,327,393	5,327,393
Transferred to reserve	-	-
Balance as at end of year	5,327,393	5,327,393
TOTAL RESERVES	5,960,416	6,270,278

NOTE 11: CASH FLOW

NOTE 11A: CASH FLOW RECONCILIATION

Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:

Cash and cash equivalents as per:

Cash flow statement	7,237,234	6,135,262
Balance sheet	7,237,234	6,135,262
DIFFERENCE	-	-

Reconciliation of profit/(deficit) to net cash from operating activities:

Profit/(deficit) for the year	993,090	1,105,888
Adjustments for non-cash items		
Depreciation/amortisation (includes lease liability)	765,335	767,580
Gain on disposal of assets	-	-

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 11: CASH FLOW CONTINUED

	2022	Consolidated
	\$	2021
		\$
Changes in assets/liabilities		
(Increase)/decrease in net receivables	152,957	(883,561)
(Increase)/decrease in inventory	(49,303)	(2,210)
Increase/(decrease) in supplier and other payables	(23,233)	242,694
Increase/(decrease) in provisions	125,505	(11,045)
NET CASH FROM (USED BY) OPERATING ACTIVITIES	1,964,351	1,219,346

NOTE 12: CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

NOTE 12A: COMMITMENTS AND CONTINGENCIES

There are no commitments or contingencies.

NOTE 13: RELATED PARTY DISCLOSURES

NOTE 13A: RELATED PARTY TRANSACTIONS FOR THE REPORTING PERIOD

The Board member's businesses are all current members of the Association and also purchase stationery and training courses from the Association which are on standard terms.

Director fees paid during the reporting period were \$179,000 (2022) \$173,983 (2021).

Apart from the above, there are no other Related Party Transaction during the financial year ended 30th June 2022.

Names of Committee of Management Officers who held office during the year are:

Committee of management

Peter Dever	Michael Hart	Paul Peterson	Bruce Sommerfeld
Grant Harrison	James William Robertson	Mark Bryers	Mark Dodge
Andrea McCarthy	Timothy Kane	Lawrence Beacham	Rodney Pether
Mark Billingsley			

Board of Directors of MTA Institute of Technology Pty Ltd

Paul John Peterson	Michael Milford	James William Robertson	Susan Davis
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Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30th June 2022, the Motor Trades Association of Queensland Industrial Organisation of Employers has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

	2022	Consolidated	2021
	\$		\$
Note 13B: Key management personnel remuneration for the reporting period			
Short-term employee benefits			
Salary (including annual leave taken)	1,064,252		1,086,560
Annual leave accrued	4,168		(41,420)
Performance bonus*	120,931		60,852
Other FBT	28,824		48,498
TOTAL SHORT-TERM EMPLOYEE BENEFITS	1,218,175		1,154,490
* These figures include only formally approved amounts accrued and paid which are relevant to the current financial year to which they relate.			
Post-employment benefits:			
Superannuation	115,500		95,399
TOTAL POST-EMPLOYMENT BENEFITS	115,500		95,399
Other long-term benefits:			
Long-service leave	9,666		(17,540)
Total other long-term benefits	9,666		(17,540)
Termination benefits	-		-
TOTAL	1,343,341		1,232,349

NOTE 14: REMUNERATION OF AUDITORS

Value of the services provided

Financial statement audit services	56,084	54,031
Other services	-	-
TOTAL REMUNERATION OF AUDITORS	56,084	54,031

No other services were provided by the auditors of the financial statements.

NOTE 15: FINANCIAL INSTRUMENTS

MTAQ is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the entity's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 15: FINANCIAL INSTRUMENTS CONTINUED

	2022	Consolidated
	\$	2021
		\$
NOTE 15A: CATEGORIES OF FINANCIAL INSTRUMENTS		
Financial assets		
Fair value through other comprehensive income:		
Dalton Nicol Reid Share Portfolio	3,521,741	3,408,195
Fair value through profit and loss:		
Block Two Pty Ltd	500,000	500,000
GDTC Ltd	1,000,000	1,000,000
Total	5,021,741	4,908,195
Cash at bank:		
Cash and cash equivalents	7,237,234	6,135,262
Total	7,237,234	6,135,262
Loans and receivables:		
Trade and other receivables	2,327,083	2,440,356
Other current assets	308,785	348,469
Total	2,635,868	2,788,825
CARRYING AMOUNT OF FINANCIAL ASSETS	14,894,843	13,832,282
Financial liabilities		
Other financial liabilities:		
Trade payables	660,735	612,401
Other payables*	203,302	251,850
Total	864,037	864,251
CARRYING AMOUNT OF FINANCIAL LIABILITIES	864,037	864,251
*Excluding unearned income		
NOTE 15B: NET INCOME AND EXPENSE FROM FINANCIAL ASSETS		
Held-to-maturity		
Interest revenue	30,000	55,644
Net gain/(loss) held-to-maturity	30,000	55,644
Financial assets at fair value through other comprehensive income under AASB 9		
Interest revenue	-	-
Dividend revenue	196,223	70,235
Exchange gains/(loss)	275,737	230,770
Net income/(expense) from financial assets at fair value through other comprehensive income	471,960	301,005
Fair value gain/loss recognised in other comprehensive income under AASB 9	(309,862)	656,355
	(309,862)	656,355

	2022	Consolidated	2021
	\$		\$

NOTE 15C: CREDIT RISK

The Maximum exposure to credit risk at balance date is accounts receivable balances.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial assets

Trade Receivables	1,087,883	1,261,213
TOTAL	1,087,883	1,261,213

Financial liabilities

Nil	-	-
TOTAL	-	-

In relation to the entity's gross credit risk, no collateral is held.

Lease liabilities are of fixed interest rates, therefore there is no credit risk.

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

30 June 2022

	Trade and other receivables					Total
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	
\$	\$	\$	\$	\$	\$	
Expected credit loss rate	0%	0%	54%	100%	0%	1%
Estimate total gross	50,561	1,031,873	11,751	4,437	-	1,098,622
carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	(6,302)	(4,437)	-	(10,739)
	50,561	1,031,873	5,449	-	-	1,087,883

30 June 2021

	Trade and other receivables					Total
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	
\$	\$	\$	\$	\$	\$	
Expected credit loss rate	0%	0%	41%	0%	100%	1%
Estimate total gross	65,930	1,185,506	17,090	(228)	10,405	1,278,703
carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	(7,085)	-	(10,405)	(17,490)
	65,930	1,185,506	10,005	(228)	-	1,261,213

The Motor Trades Association of Queensland Industrial Organisation of Employers maximum exposure to credit risk for the components of the statement of financial position at 30th June 2022 and 2021 is the carrying amounts as illustrated in Note 15D.

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 15: FINANCIAL INSTRUMENTS CONTINUED

NOTE 15D: LIQUIDITY RISK

Liquidity risk is the risk that the entity may encounter difficulties raising funds to meet commitments associated with financial instruments. It is the policy of the Board of Directors of MTAQ to maintain adequate committed credit facilities. The unused bank overdraft credit facility at balance date was \$2,500,000. The bank overdraft facilities may be drawn down at any time but may be terminated by the bank without notice.

Contractual maturities for financial liabilities 2022

	On demand \$	<1 year \$	1-2 years \$	2-5 years \$	>5 years \$	Total \$
Trade and other payables	-	660,735	-	-	-	660,735
Other payables*	-	203,302	-	-	-	203,302
TOTAL	-	864,037	-	-	-	864,037

Contractual maturities for financial liabilities 2021

	On demand \$	<1 year \$	1-2 years \$	2-5 years \$	>5 years \$	Total \$
Trade and other payables	-	612,401	-	-	-	612,401
Other payables*	-	251,850	-	-	-	251,850
TOTAL	-	864,251	-	-	-	864,251

*Excluding unearned income

Lease liability maturities for 2022

	On demand \$	<1 year \$	1-2 years \$	2-5 years \$	>5 years \$	Total \$
Motor Vehicles	-	135,480	33,877	9,353	-	178,710
Computer equipment	-	9,909	2,477	-	-	12,386
TOTAL	-	145,389	36,354	9,353	-	191,096

Lease liability maturities for 2021

	On demand \$	<1 year \$	1-2 years \$	2-5 years \$	>5 years \$	Total \$
Motor vehicle	-	147,140	80,864	20,320	-	248,324
Computer equipment	-	12,630	1,176	-	-	13,806
TOTAL	-	159,770	82,040	20,320	-	262,130

NOTE 15E: MARKET RISK

Interest rate risk

The branch has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk. As at 30th June 2022, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

Sensitivity analysis of the risk that the entity is exposed to for 2022

	Risk variable	Change in risk variable %	Effect on profit and loss \$	Effect on equity \$
Interest rate risk	7,237,234	[+ 2%]	144,745	144,745
Interest rate risk	7,237,234	[- 2%]	(144,745)	(144,745)

Sensitivity analysis of the risk that the entity is exposed to for 2021

	Risk variable	Change in risk variable %	Effect on profit and loss \$	Effect on equity \$
Interest rate risk	6,135,262	[+ 2%]	122,705	122,705
Interest rate risk	6,135,262	[- 2%]	(122,705)	(122,705)

Due to the changes in interest rates over the last financial year trending downwards, the interest rate risk exposure for 2022 has been based on 2% which was the same as last years.

NOTE 16: FAIR VALUE MEASUREMENT

NOTE 16A: FINANCIAL ASSETS AND LIABILITIES

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair value of listed financial assets carried at fair value through other comprehensive income is derived from quoted market prices in active markets.
- Fair value of unlisted financial assets carried at fair value through profit or loss is derived from previous sales transactions.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Motor Trades Association of Queensland Industrial Organisation of Employers based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30th June 2022 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 16: FAIR VALUE MEASUREMENT CONTINUED

NOTE 16A: FINANCIAL ASSETS AND LIABILITIES CONTINUED

The following table contains the carrying amounts and related fair values for the Motor Trades Association of Queensland financial assets and liabilities:

	Carrying amount 2022 \$	Fair value 2022 \$	Carrying amount 2021 \$	Fair value 2021 \$
Financial assets				
Dalton Nicol Reid Share Portfolio	3,521,741	3,521,741	3,408,195	3,408,195
Block2	500,000	500,000	500,000	500,000
GDTC Ltd	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL	5,021,741	5,021,741	4,908,195	4,908,195

NOTE 16B: FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES FAIR VALUE HIERARCHY

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

Fair value hierarchy – 30 June 2022

	Date of valuation 30 June 2022	Level 1 \$	Level 2 \$	Level 3 \$
Dalton Nicol Reid Share Portfolio		3,521,741	-	-
Block Two Pty Ltd		-	-	500,000
GDTC Ltd		-	-	1,000,000
TOTAL		3,521,741	-	1,500,000

Liabilities measured at fair value

Nil	-	-	-
TOTAL	-	-	-

Fair value hierarchy – 30 June 2021

	Date of valuation 30 June 2021	Level 1 \$	Level 2 \$	Level 3 \$
Dalton Nicol Reid Share Portfolio		3,408,195	-	-
GDTC Ltd		-	-	500,000
Block Two Pty Ltd		-	-	1,000,000
TOTAL		3,408,195	-	1,500,000

Liabilities measured at fair value

Nil	-	-	-
TOTAL	-	-	-

Level 3 financial assets include investments in Block Two Pty Ltd and Green Distillation Technologies Corporation Limited.

Fair value has been determined on the basis of the last capital transactions conducted by the investee with external parties as this is the best evidence of fair value. Where capital transaction is greater than 12 months or there are no recent capital transactions with external parties, alternative methods have been used including comparable recent transactions of similar companies or maintainable earnings valuation methods.

For the current year, the last capital transaction occurred on 15 November 2021 for Block Two Pty Ltd and 12 May 2021 for Green Distillation Technologies Corporate Limited and the pricing of those transactions are the basis for determination of fair value.

Significant increase or decrease will have an impact on the fair value of the investments.

NOTE 17: ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

Motor Trades Association of Queensland Industrial Organisation of Employers did not use third party for the administration of affairs during the year or prior year.

NOTE 18: SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- 1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- 2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- 3) A reporting unit must comply with an application made under subsection (1).

NOTE 19: INTEREST IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business/ Country of incorporation	Ownership interest	
		2022 %	2021 %
MTA Institute of Technology Pty Ltd	Australia	100.00%	N/A
Motor Trades Association of Queensland Ltd	Australia	100.00%	N/A
MTAQ Management Pty Ltd	Australia	100.00%	N/A
MTA Global Pty Ltd	Australia	100.00%	N/A
MTAQ Trust	Australia	100.00%	N/A
MTA Institute of Technology Pty Ltd	Australia	100.00%	N/A

Notes to the Financial Statements continued

For the year ended 30th June 2022

NOTE 20: PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income.

	2022	Parent	2021
	\$		\$
Surplus for the year	(1,540,310)		(1,112,256)
Other comprehensive income	309,862		656,355
Total comprehensive income	(1,230,448)		(455,901)

Statement of financial position

Total current assets	3,938,948		4,613,258
Total assets	21,807,934		22,789,258
Total current liabilities	(3,701,857)		(2,345,336)
Total liabilities	(7,280,438)		(6,411,593)
NET ASSETS	14,527,496		16,377,665
Equity			
General funds	633,023		942,885
Asset Revaluation Reserve	5,327,393		5,327,393
Retained earnings	8,567,080		10,107,387
TOTAL EQUITY	14,527,496		16,377,665

Contingent liabilities

The parent entity had no contingent liabilities as at 30th June 2022 and 30 June 2021.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30th June 2022 and 30 June 2021.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Officer Declaration Statement

I, James William George Robertson being the Secretary of the Motor Trades Association of Queensland Industrial Organisation of Employers, declare that the following activities did not occur during the reporting period ending 30th June 2022.

The Motor Trades Association of Queensland Industrial Organisation of Employers did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay separation and redundancy to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting unit and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



James Robertson
Secretary

Dated: 04 October 2022

Board Members 2021 - 2022

MTA Queensland

Paul Peterson

Chair, MTA Queensland
Chair, Queensland Motorcycle Industry Division
Executive Committee Member

James Robertson

Secretary, MTA Queensland
Chair, Australian Automotive Dealer Association
Central Queensland Representative
Executive Committee Member

Mark Bryers

Vice-Chair, MTA Queensland
Chair, Engine Reconditioners Association of Queensland
Executive Committee Member

Mark Dodge

Director, MTA Queensland
Chair, Automotive Engineers Division
Far North Queensland Representative

Lawrie Beacham

Director, MTA Queensland
Chair, Automotive Parts Recyclers Division
Executive Committee Member

Peter Dever

Director, MTA Queensland
Chair, Automotive Remarketing Division

Andrea McCarthy

Director, MTA Queensland
Chair, National Auto Collision Alliance

Bruce Sommerfeld

Director, MTA Queensland
Chair, Queensland Farm and Industrial Machinery
Dealers Division

Grant Harrison

Director, MTA Queensland
Chair, Rental Vehicle Industry Division
Executive Committee Member

Tim Kane

Director, MTA Queensland
Chair, Service Station and Convenience Store Association
of Queensland

Rod Pether

Director, MTA Queensland
North Queensland Representative

Michael Hart

Director, MTA Queensland
Chair, Tyre and Undercar Division of Queensland

MTA Institute

Susan Davis

Chair

James Robertson

Deputy Chair

Paul Peterson

Director

Professor Michael Milford

Director



