

THE MG CAR CLUB LTD

ACN 000 560 538

SPECIAL PURPOSE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

THE MG CAR CLUB LTD
ACN 000 560 538

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THE MG CAR CLUB LTD
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DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024

Your Directors present their report on the financial statements of the Company for the year ended 30 June 2024. The Directors in office during the financial year and at the date of this report are:

Name	Date Appointed	Name	Date Appointed	Date Resigned
John Clarke	14/11/2018	Lynn Calluud	17/06/2024	
Hilary Wren	12/11/2019	Allen Gower	14/11/2018	30/09/2023
Matthew Crawford	17/06/2024	Granville Harris	14/11/2018	17/06/2024
James Lovett	17/06/2024	Charlie Frew	14/11/2018	17/06/2024
Max Wasson	14/11/2018	Sheila Trotman	04/10/2022	13/08/2023
David Milling	29/08/2023			

The principal activity of the company during the financial year was running a non-profit sporting car club. No significant change in the nature of that activity occurred during the year.

The Surplus / (Deficit) for the company for the financial year ended 30 June 2024 was \$1,517. (30 June 2023 \$4,911). In accordance with the company's Constitution, the company is precluded from recommending or declaring any dividends to its members.

At the date of this report, the number of members of the club total 769 (2023: 756).

No significant change in the state of affairs of the company occurred during the financial year. No matter or circumstances have arisen since the end of the financial year which have, or could have, a significant effect on the company's operations, the results of those operations or its state of affairs subsequent to 30 June 2024.

During the financial year 8 Directors' Meetings were held. Attendance by Directors were:

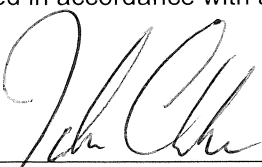
Director	Eligible to Attend	Attended	Director	Eligible to Attend	Attended
John Clarke	8	6	Lynn Calluud	4	3
Hilary Wren	8	8	Allen Gower	3	1
Matthew Crawford	8	7	Granville Harris	8	7
James Lovett	4	3	Charlie Frew	4	4
Max Wasson	8	7	Sheila Trotman	2	0
David Milling	8	8			

During the year some Directors, having agreed to become Directors, attended Directors' Meetings by invitation until their registered appointment 17 June 2024. These attendances have been included.


The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or a related body corporate indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings, or paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

During or since the financial year no director of the company has received or become entitled to receive a benefit other than a benefit including in the aggregate amounts of emoluments received or due and receivable by the directors shown in the accounts, or the fixed salary of a full time employee of the company or a related body corporate, by reason of a contract made by the company or a related body corporate with the director or with a firm of which they are a member, or with a company in which they have a substantial financial interest.

Signed in accordance with a resolution of the directors at Sydney this *14th* day of *OCTOBER* 2024.



John Clarke, President



David Milling - Treasurer

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BALANCE SHEET AS AT 30 JUNE 2024

	Note	2024	2023
Current Assets			
Cash	2	303,930	309,661
Receivables	3	31,246	27,079
Inventories	4	19,170	18,565
Total Current Assets		354,346	355,306
Non Current Assets			
Property Plant & Equipment	5	41,215	41,049
Total Non Current Assets		41,215	41,049
Total Assets		395,561	396,355
Current Liabilities			
Creditors & Borrowings	6	23,222	13,318
Others	7	38,620	50,835
Total Current Liabilities		61,842	64,153
Total Liabilities		61,842	64,153
Net Assets		333,719	332,202
Members' Funds			
Beginning of Year		332,202	327,291
Current Year Surplus / (Deficit)		1,517	4,911
Members' Funds End of Year	8	333,719	332,202

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INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
INCOME		
Subscriptions Received	55,876	52,717
Joining Fees Received	1,993	2,136
Interest Received - Bank	8,150	3,274
Total Gross Trading Surplus/(Deficit)	<u>1,442</u>	<u>(8,105)</u>
	<u>67,461</u>	<u>50,022</u>
EXPENSES		
Accounting	6,600	6,000
Affiliation Fees	1,846	1,606
ASIC Administration & Filing Fees	3,375	2,276
Audit Fees	4,000	3,963
Bookkeeping	5,158	7,190
Bank, IMG and Credit Card Fees	2,278	1,685
Computer	-	801
Depreciation	2,044	1,653
Doubtful Debts	2,127	5,875
Graphic Design	2,665	-
Insurance	512	512
Website	8,962	4,973
Postage & Couriers	285	585
Printing & Stationery	380	61
Rent & Venue Hire	7,802	4,792
Club car expenses	203	987
Other expenses	-	2,151
	<u>48,237</u>	<u>45,111</u>
Surplus / (Deficit) from Ordinary Activities	<u>19,224</u>	<u>4,911</u>
<u>less</u> Loss from National Meeting Activity	(17,707)	-
Surplus / (Deficit)	<u>1,517</u>	<u>4,911</u>

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TRADING ACCOUNT FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
TRADING INCOME		
REGALIA		
Income	5,919	5,503
Cost of sales	(4,963)	(4,487)
Regalia Surplus / (deficit)	956	1,016
SPORTING		
Income from Activities	5,518	191
Less Expenses of activities	(7,950)	-
Sporting Surplus / (deficit)	(2,432)	191
MAGAZINE		
Income	12,188	11,301
Less Expenses		
Postage	(1,591)	(2,332)
Printing Costs	(4,390)	(4,500)
Other	(1,399)	(1,265)
Magazine Surplus / (deficit)	4,808	3,204
SOCIAL		
Income	6,243	9,121
Less Expenses	(8,925)	(18,995)
Social Surplus / (deficit)	(2,682)	(9,874)
CONCOURS		
Income	45	-
Less Expenses		
Ground and equipment hire	(3,416)	(3,301)
Food Purchases	(45)	(29)
Printing and trophies	(947)	(848)
Concours gross surplus / (deficit)	(4,363)	(4,178)
OTHER		
CMC Day & All British Days Income	582	-
Club Plates Income	6,328	5,748
Less Expenses		
CMC Day & All British Days	(243)	(400)
Club Plates	(1,421)	(1,046)
Library expenses	(91)	-
Other gross surplus/(deficit)	5,155	4,303
GROSS TRADING SURPLUS / (DEFICIT)		
Regalia Profit/(Loss)	956	1,016
Sporting Gross Profit/(Loss)	(2,432)	191
Social Gross Profit/(Loss)	(2,682)	(9,874)
Concours Gross Profit/(Loss)	(4,363)	(4,178)
Tour De Gross Profit/(Loss)	-	(2,765)
Other Gross Profit/(Loss)	5,155	4,303
Magazine Gross Profit/(Loss)	4,808	3,204
Total Gross Trading Surplus/(Deficit)	1,442	(8,105)

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NATIONAL MEETING SUMMARY

	2024
REVENUES	
Fees	108,480
Sponsorship	8,300
Raffle (Nett)	595
	<u>117,375</u>
EXPENSES	
Breakfast	8,540
Concours	4,926
Country Ball	24,949
Design and Promotion	4,238
Discovery and Kimber Runs	430
Event Administration	5,783
Lap Dash	6,085
Medallions and Trophies	5,887
Motorkhana	2,222
Noggin N Natter	26,421
Presentation Dinner	32,425
Regalia	3,807
Venues	6,075
Website	3,294
	<u>135,082</u>
NETT LOSS	<u>(17,707)</u>

Event Administration includes Truck Hire, Booklets, Posters, Banners, Labels, Black Bags and contents therein.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
Cash Flow from Operating Activities			
Receipts from Members and Customers		87,491	85,468
Payments to suppliers and members		<u>(85,753)</u>	<u>(97,043)</u>
Net Cash used in operating activities	9(b)	<u>1,738</u>	<u>(11,575)</u>
Cashflow from Investing Activities			
Interest Received		7,741	2,468
Payment for property plant and equipment		<u>(2,209)</u>	<u>(5,319)</u>
Net Cash provided by investing activities		<u>5,532</u>	<u>(2,851)</u>
Cash flow from financing activities		<u>(13,000)</u>	<u>13,000</u>
Net Increase (Decrease) in cash held		(5,730)	(1,426)
Cash at beginning of period		309,661	311,087
Cash at end of period	9(a)	<u>303,931</u>	<u>309,661</u>

NOTES TO THIS SPECIAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

1. Material Accounting Policy Information

Basis of Accounting

This is not a general purpose financial report. It is a special purpose financial report prepared for use by members and management of the Club and to satisfy the Corporation Law requirement to produce financial statements. The Directors have determined that the Club is not a reporting entity as defined in Statement of Accounting Concepts 1: Definition of the Reporting Entity, and therefore there is no requirement to apply Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) in the preparation of this special purpose financial report.

This special purpose financial report has been prepared in accordance with the requirements of the applicable Accounting Standards and other mandatory professional reporting requirements. No other Accounting Standards or other mandatory professional reporting requirements have been intentionally applied.

The special purpose financial report is also prepared on an accruals and going concern basis. The report is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

Income Tax

The principles of tax effect accounting are not appropriate and have not been adopted by the Club. New taxation law provides that income earned by sporting clubs for the encouragement and promulgation of a sport may not be exempt from taxation. Refer below under the heading Contingent Liability.

Depreciation of Fixed Assets

Items of plant, equipment, fixtures and fittings are brought to account at cost and depreciated over their estimated useful lives.

The Club has purchased an MG Car in the 2019 financial year to generate interest in the club and its activities. The Club has considered the useful life of the car and has decided that the car should be treated as a collectable and depreciation does not apply. The car has been recorded at cost. No consideration will be made for amortisation and revaluation until realised.

Inventories

Inventories consist of items of regalia for sales to members of the Club as well as gifts held for future occasions. These are shown at the lower of cost or net realisable value.

Recognition of subscription revenue

Subscription revenue is recognised in the year to which the subscription relates

Contingent Liability

Under new legislation passed in Parliament on 15 May 2024, and effective from 1 July 2023, Not-for-Profit companies, such as The MG Car Club Ltd, may be required to lodge a company taxation return, and thus may be liable to pay taxation. Clarification of which income and expense items need to be included in the taxation return is yet to be determined. An ongoing review is being performed by the Board. These accounts do not include any potential taxation liability.

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NOTES TO THIS SPECIAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
2. Cash at Bank and on Hand		
Cash Floats	77	150
Fixed Deposits	256,576	258,836
Cash at Bank & On Hand	47,277	50,675
Cash on hand	303,930	309,661

	2024	2023
	\$	\$
3. Receivables		
Trade Debtors	10,320	5,875
Provision for Doubtful Debts	(2,127)	(5,875)
Deposit Paid	1,026	3,432
Prepaid Expenses	6,290	8,405
Sundry Debtors	534	-
Interest	1,215	805
Accrued Income	13,988	4,860
Natmeet Reimbursable	-	9,577
Total Receivables	31,246	27,079

	2024	2023
	\$	\$
4. Inventories		
Regalia	18,764	18,159
Gifts for Speakers & Visitors	406	406
Stock on Hand	19,170	18,565

	2024	2023
	\$	\$
5. Property Plant and Equipment		
Plant and Equipment (at cost)	56,016	59,585
Less Accumulated Depreciation	(14,801)	(18,536)
	41,215	41,049

	2024	2023
	\$	\$
6. Creditors and Accruals		
Accounts Payable	10,037	598
Accrued Expenses	13,617	9,280
GST Payable	(432)	3,440
	23,222	13,318

	2024	2023
	\$	\$
7. Other creditors and borrowings		
Subscriptions in Advance	38,575	36,902
Other payables	45	933
Natmeet Float	-	13,000
	38,620	50,835

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NOTES TO THIS SPECIAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

8. Members' Funds

The MG Car Club Limited is a company incorporated under the Corporations Act 2001. It is a company limited by guarantee. In the event of the company being wound up, the liability of each member (both during the time he/she is a member and within one year afterwards), is limited to \$1.00. Any surplus on winding up is specifically excluded from being distributed to the members. Such surpluses, should they occur, must be distributed to some other institution or institutions having objects similar to those of this Club. As at the date of this report, the number of members totalled 769.

9 Statement of Cash Flows

9(a) For the purpose of the statement of cash flows, cash includes cash on hand as shown in the Statement of Financial Position

9(b) Net cash from operating activities

	2024	2023
	\$	\$
Surplus / (Deficit)	1,517	4,911
<u>Add/(Less) Non-Cash Items</u>		
Depreciation & Write Off Equipment	2,044	1,653
Doubtful Debts	2,127	5,875
Sundry Debtor Written Off	-	2,151
	4,171	9,679
<u>Add/(Less) Items Classified as Investing</u>		
Interest Received	(7,741)	(2,469)
<u>Add/(Less) Movements in Balance Sheet</u>		
Decrease (increase) in Prepaid Expenses	4,522	(8,537)
Decrease (increase) in Trade Debtors	(10,320)	741
Decrease (increase) in Sundry Debtors	(495)	(15,242)
Decrease (increase) in Inventories	(605)	(1,710)
Increase (decrease) in Other Creditors	9,016	61
Increase (decrease) in Subscriptions in Advance	1,673	991
Net Cash used in Operating Activities	1,738	(11,575)

**THE MG CAR CLUB LTD
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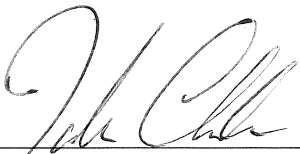
STATEMENT BY DIRECTORS

As detailed in Note 1 to the Accounts, the Company is not a reporting entity as, in the opinion of the Directors, there are unlikely to exist users of its financial accounts who are dependent upon general purpose financial reports for information needed to make economic decisions and who would be unable to command the preparation of reports which would specifically satisfy all of their information needs. These accounts are therefore "special purpose financial reports" which have been prepared to meet the requirements of the Corporations Law and the Articles of Association of the Club,

In the opinion of the Directors:

- a) The accompanying Income Statement is drawn up so as to give a true and fair view of the results of the company for the financial year ended 30 June 2024;
- b) The accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the company as at 30 June 2024;
- c) As at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

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



President - John Clarke



Treasurer – David Milling

**The M.G. Car Club Ltd
Auditor's Independence Declaration to the Directors of The M.G. Car Club Ltd
For the Financial Year Ended 30 June 2024**

In accordance with the requirements of the *Corporations Act 2001*, as lead auditor for the audit of The M.G. Car Club Ltd for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

Audit Logic



Benjamin Irvine
Director
14th October 2024
Sydney, New South Wales



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The M.G. Car Club Ltd
Independent Auditor's Report to the Members of The M.G. Car Club Ltd
For the Financial Year Ended 30 June 2024

Qualified Opinion

We have audited the accompanying financial report, being a special purpose financial report of The M.G. Car Club Ltd (the company), which comprises the balance sheet as at 30 June 2024, the income statement, the trading statement and the statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information and the directors' declaration.

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2024 and of its financial performance for the year ended; and
- (ii) complying with applicable Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis for Qualified Opinion

As is common for organisations of this type, it is not practicable to extend examination of cash-related income streams beyond accounting for funds received as recorded in the accounting records. Accordingly, our audit in relation to such income was limited to the amounts received. We cannot determine the effect of such adjustments, if any, which may have been necessary had the foregoing limitations not existed. Hence, our opinion is qualified with respect to the completeness of income in relation to cash sales and collections.

Basis of 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 company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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



Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the company's financial reporting responsibilities under the company's constitution. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified further in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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 our 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 our 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 Company 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 entities or business activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Audit Logic



Benjamin Irvine

Director

14th October 2024

Sydney, New South Wales