



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7799
Fax: (03) 9654 6672

Mr Anthony D Blake
President
Victorian Automobile Chamber of Commerce
7th Floor, VACC House
464 St Kilda Road
MELBOURNE VIC 3004

Dear Mr Blake,

Re: Financial Documents for year ended 30 June 2005 - FR2005/275
Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

I acknowledge receipt of the financial reports of the Victorian Automobile Chamber of Commerce for the year ended 30 June 2005. The documents were lodged in the Registry on 5 December 2005 under s268 of Schedule 1B (RAO Schedule) of the Workplace Relations Act 1996.

This is the second lodgment by the organisation of its audited financial reports under the *Registration and Accountability of Organisations (RAO) Schedule* which commenced on 12 May 2003. Such financial accounts are also required to comply with the Industrial Registrar's *Reporting Guidelines* issued under s253 of the RAO Schedule.

The documents have been filed.

While the documents have been filed, the following matter requires your further attention by Friday 27 January 2006:

Donations

As the accounts disclosed an amount for donations of \$42,514 the organisation should provide information regarding any donation made in excess of \$1,000 in accordance with s237 of the RAO Schedule. A form is enclosed for this purpose.

If you have any queries regarding the above please contact me on (03) 8661 7799.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', written over a horizontal line.

Andrew Schultz
Statutory Services Branch

4 January 2006



Statement of loans, grants and donations exceeding \$1,000 for financial year ending / /

Please refer to section 237 of the Registration and Accountability of Organisations Schedule when completing this form. This statement when lodged in the Industrial Registry may only be viewed by a member of the organisation. Use of this form is optional.

Organisation's details

Name of organisation including division or branch

Postal Address

Postcode

Details of officer completing the statement

Name

Name of office held in organisation

(An officer of the organisation should complete the statement)

Postal Address

Postcode

Telephone number (BH)

Facsimile number

Email

I certify that the information contained in this statement and its attachments is true and complete.

Signature

Date

An organisation must lodge this statement within 90 days of the end of its financial year.

Enquiries and statements should be addressed to:

THE INDUSTRIAL REGISTRAR
 AUSTRALIAN INDUSTRIAL REGISTRY
 LEVEL 42, NAURU HOUSE
 80 COLLINS STREET
 MELBOURNE VIC 3000
 Tel: (03) 8661 7777
 Fax: (03) 9655 0401
 Email: melbourne@air.gov.au

AUSTRALIAN INDUSTRIAL REGISTRY

Australian Industry Registry

LOANS, GRANTS AND DONATIONS EXCEEDING \$1,000 MADE BY ORGANISATION

(If insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.

OFFICE OF THE PRESIDENT

VICTORIAN AUTOMOBILE
CHAMBER OF COMMERCE
ABN 63 009 478 209

VACC House
464 St Kilda Road
Melbourne 3004

Phone: 03 9829 1111
Fax: 03 9866 6017

1 December 2005

Rec'd 5/12/05

The Registrar
Australian Industrial Relations Commission
GPO Box 1994S
MELBOURNE VIC 3001

FR 2005/275

Dear Sir

I certify that the attached Financial Report of the Victorian Automobile Chamber of Commerce provided in accordance with Section 253 of Schedule 1B of the Workplace Relations Act 1996, for the year ended 30 June 2005 was supplied to members on 25 October 2005, and presented to the Annual General Meeting of members held on Wednesday, 30 November 2005.

Yours faithfully



ANTHONY D BLAKE

attach

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VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

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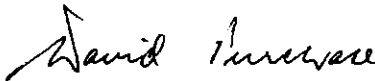
AGENDA

THE EIGHTY-SEVENTH ANNUAL GENERAL MEETING OF THE VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE (VACC) WILL BE HELD AT VACC HOUSE, LEVEL 7, 464 ST KILDA ROAD, MELBOURNE ON WEDNESDAY, 30 NOVEMBER 2005 AT 12 NOON

BUSINESS OF MEETING

The Business of the Meeting is to:

- A. Confirm the Minutes of the previous Annual General Meeting held on 24 November 2004.
- B. Consider any business arising out of the Minutes of the previous Meeting.
- C. Receive the President's Report and the Annual Report.
- D. Receive, consider and adopt the Financial Statements for the year ended 30 June 2005 and the Auditor's Report thereon, prepared in accordance with the requirements of the Workplace Relations Act 1996
- E. Appoint an Auditor.
- F. Consider, and if necessary, take action with reference to any business or motion of which due notice has been given, or which three-fourths of the members present or represented at such meeting, consent thereto, not being inconsistent with the Constitution and Rules of the Victorian Automobile Chamber of Commerce.



David A. Purchase OAM
EXECUTIVE DIRECTOR
Date: 10 October 2005

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

	Notes	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
Revenues from ordinary activities	3	34,998,436	30,498,820	34,998,436	31,088,093
Borrowing costs	3	(23,271)	(29,114)	(23,271)	(11,943)
Other expenses from ordinary activities	3	(26,840,030)	(25,504,084)	(26,840,030)	(26,110,528)
Operating result for the year	11	8,135,135	4,965,622	8,135,135	4,965,622
Increase in asset revaluation reserve	12	1,020,322	51,781	1,020,322	51,781
Total changes in Members' funds		9,155,457	5,017,403	9,155,457	5,017,403

The above Statement of Financial Performance is to be read in conjunction with the accompanying notes.

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005

	Notes	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
Current assets					
Cash Assets	13	1,077,753	561,834	1,077,753	505,652
Receivables	4	2,348,100	1,354,291	2,348,100	1,364,642
Prepayments		489,579	424,139	489,579	424,139
Inventories		243,603	338,168	243,603	338,168
Total current assets					
Investments – Special Capital Fund	5				
Non-current assets					
Investments	6	30,630,280	29,609,958	30,630,280	29,609,958
Plant and Equipment	7	1,309,629	1,594,090	1,309,629	1,594,090
Total non-current assets					
Total assets					
Current liabilities					
Payables	8	1,753,653	1,370,441	1,753,653	1,324,610
Income in Advance		2,072,178	1,922,753	2,072,178	1,922,753
Interest-Bearing Liabilities	9	95,673	120,915	95,673	120,915
Provisions	10	1,117,987	1,019,484	1,117,987	1,019,484
Total current liabilities					
Non-current liabilities					
Interest-Bearing Liabilities	9	24,873	120,546	24,873	120,546
Provisions	10	235,634	131,464	235,634	131,464
Total non-current liabilities					
Total liabilities					
Net assets		125,517,029	116,361,572	125,517,029	116,361,572
Members' funds:					
Revenue Accumulation	11	56,170,332	50,743,348	56,170,332	50,743,348
Reserves	12	69,346,697	65,618,224	69,346,697	65,618,224
Total Members' funds		125,517,029	116,361,572	125,517,029	116,361,572

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 30 JUNE 2005**

	Notes	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
Cash Flows from Operating Activities					
Receipts from members and customers		20,963,096	19,323,125	20,963,096	19,275,305
Dividend and Distributions from Investments		43,465	4,086,790	43,465	4,086,890
Payments to suppliers and employees		(24,796,368)	(24,663,206)	(24,740,186)	(24,446,224)
Interest received		42,817	45,195	42,817	40,997
Goods and Services Tax refund received/(paid)		(729,517)	(566,892)	(729,517)	(623,171)
Interest and finance costs paid		(11,501)	(29,114)	(11,501)	(11,942)
Net cash flows used in Operating Activities		(4,988,008)	(1,407,002)	(4,988,008)	(1,407,002)
Cash Flows from Investing Activities					
Distribution from Special Capital Fund		7,340,000	(6,004,000)	7,340,000	(6,004,000)
Realised Income from Special Capital Fund		-	8,147,549	-	8,147,549
Contributions to Special Capital Fund		(2,000,000)	-	(2,000,000)	-
Purchase of Plant and Equipment		(311,111)	(426,699)	(311,111)	(716,027)
Proceeds from sales of Plant and Equipment		95,953	119,529	95,953	119,529
Purchase of Other Investments		-	(301,783)	-	(301,783)
Net cash flows from Investing Activities		4,124,842	1,535,696	4,124,842	1,535,696
Cash Flows from Financing Activities					
Repayment of Finance Lease Principal		(120,915)	(256,135)	(120,915)	120,914
Net cash flows from/(used in) Financing Activities		(120,915)	(256,135)	(120,915)	120,914
Net Increase/(decrease) in cash held		515,919	(525,641)	572,101	(311,963)
Add opening cash brought forward		561,834	1,087,475	505,652	817,615
Closing cash carried forward	13	1,077,753	561,834	1,077,753	505,652

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
STATEMENT OF CASH FLOWS FOR THE
YEAR ENDED 30 JUNE 2005**

	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
Reconciliation of result with net cash flows used in operating activities				
Operating result for the year	8,135,135	4,965,622	8,135,135	4,965,622
Depreciation & amortisation of plant & equipment	477,400	527,882	477,400	428,741
Provision for employee entitlements	-	-	-	(11,203)
Loss on disposal of plant and equipment	22,220	10,806	22,220	10,806
Bad debts	6,900	-	6,900	-
Stock write-down	51,465	-	51,465	-
Provision for non-recovery of loan	-	-	-	2,450,460
Loan write-off	-	-	-	(4,554,581)
Unrealised movement in investments	(10,158)	(3,202,900)	(10,158)	(3,202,900)
Realised movement in investments net of management fees	(12,941,596)	(3,002,182)	(12,941,596)	-
Movement of Asset Revaluation Reserve	-	51,781	-	51,781
Intercompany Interest Capitalised	-	-	-	600,635
Changes in assets and liabilities:				
Decrease in Receivables	(993,809)	210,901	(983,458)	170,246
Increase in Loan to subsidiary	-	-	-	(1,306,004)
(Increase)/Decrease in Inventories	94,565	(120,738)	94,565	(120,738)
(Increase)/Decrease in Prepayments	(65,440)	49,177	(65,440)	14,788
Increase/(Decrease) in Payables	383,212	(546,046)	429,043	(487,773)
(Decrease) in Income in Advance	149,425	(751,762)	149,425	(751,762)
Increase/(Decrease) in Provisions	202,673	3,357	202,673	63,737
Net cash flows used in operating activities	(4,488,008)	(1,804,102)	(4,431,826)	(1,678,145)

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

1. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of Section 272 (5) of Schedule 1B of the Workplace Relations Act 1996, the attention of Members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272, which read as follows:

- i) "A member of an organisation, or the Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- ii) An organisation shall, on application made under subsection (1) by a member of the organisation or the Registrar, make the specified information available to the member or the Registrar in such manner, and within such time, as is prescribed.
- iii) The Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member, information received because of an application made at the request of the member".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Workplace Relations Act 1996, applicable Accounting Standards and other mandatory professional reporting requirements. The accounting policies adopted are consistent with those of the previous year.

The financial report has been prepared in accordance with the historical cost convention, except for investments in property are measured at fair value and investments in the Special Capital Fund measured at net market value.

(b) Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous year.

(c) Non-Current Assets

Interests in property are shown as investments and the policy of the Victorian Automobile Chamber of Commerce (VACC) is to regard land and buildings as a unit of property and to regularly obtain independent appraisals of such property, which are adopted for the purpose of the Financial Statements. Adjustments resulting from revaluation are taken directly to the asset revaluation reserve in the year of revaluation, except where a decrement on revaluation exceeds previous increments, in which case such amounts are included in the Statement of Financial Performance. Except for land and buildings, plant and equipment is carried at the lower of cost and recoverable amount.

Non-current assets are not revalued to an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down. In determining the recoverable amount, the expected net cash flows have not been discounted to their present value.

Major depreciation methods and periods are: furniture and fittings – straight line method over 5 years; plant and equipment – straight line method between 3-5 years; motor vehicles – diminishing value method over 4 years, and leased equipment - straight line method over 4 years.

(d) Investments

Special Capital Fund

The Special Capital Fund is administered by an Investment Committee. The Investment Committee uses various Specialist Fund Managers in the administration of a range of investments, valued by the Managers at Net Market Value. The Special Capital Fund has been recorded in the Financial Statements at Net Market Value.

The components of the Special Capital Fund are readily tradable, however the nature of the Fund is such that it is not expected to be ordinarily consumed or converted into cash within twelve months of the reporting date, although components of the Fund may be so consumed or converted. Accordingly, the Special Capital Fund is considered neither a current nor a non-current asset.

The change in the value of the Special Capital Fund during the year has been recorded in the Statement of Financial Performance, together with the aggregate difference between the Net Market Value realised on disposal of Special Capital Fund components and their carrying amount, and other revenue components including interest and dividends (Refer Note 3).

In accordance with the Rules relating to the Special Capital Fund, an amount has been transferred to the Special Capital Fund Maintenance Reserve to recognise the initial value of the Fund in real terms, i.e. CPI Adjusted, (Refer Note 12).

Non-Current Investments

Non-current investments are carried at the lower of cost and recoverable amount.

(e) Inventories

Inventories, being finished goods, are valued at the lower of cost and net realisable value. Cost is assigned to inventories on a First In First Out (FIFO) basis.

(f) Receivables

The terms of trade are 30 days from the date of invoice. Collectability of receivables is reviewed on an ongoing basis. A provision for doubtful debts is raised where doubt as to collection exists and debts, which are known to be uncollectible, are written off.

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Payables

Payables represent liabilities for goods and services provided to VACC and which are unpaid at reporting date. The amounts are unsecured and are usually paid within 30 days of recognition.

(h) Employee Entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

(i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to VACC and the revenue can be readily measured. Special Capital Fund revenue is recognised as described in Note 2(b). Membership subscriptions are payable annually or in instalments, in advance of the membership period. Only those receipts attributable to the current year are recognised as revenue; those received in advance are shown as such in the Statement of Financial Position. Fees and subscriptions receipts relating to periods beyond the current financial year are shown in the Statements of Financial Position as income in advance under the heading of Current Liabilities. The following specific recognition criteria must also be met before revenue is recognised:

- Sale of Goods
Control of the goods has passed to the buyer.
- Rental Income
Control of the right to receive the rental payment.
- Interest
Control of the right to receive the interest payment.
- Dividends
Control of the right to receive the dividend payment.

(j) Taxes

Income Taxes

Section 23(f) of the Income Tax Assessment Act 1936 exempts VACC from Income Tax. For the controlled entity, tax effect accounting is applied using the liability method. The income tax expense is calculated on the accounting result after adjusting for permanent differences (if any). The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

Goods & Services Tax (GST)

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

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and,
- Receivables and Payables are stated with the amount of GST included.

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

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating Leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

Finance Leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the economic entity are capitalised at the leased item, are recognised as an expenses on a straight line basis.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the assets and the lease term.

Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and charged directly to profit and loss.

(l) Cash and Cash Equivalents

Cash on hand and in banks are stated at nominal value. For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within two working days, net of outstanding bank overdrafts.

(m) Joint Venture

Interest in the joint venture operation is recognised by including in the respective classifications, the share of revenue earned and expenses incurred.

Interest in the joint venture partnership is carried at cost in the consolidated Financial Statements.

(n) Principles of Consolidation

The consolidated Financial Statements are those of the consolidated entity, comprising the Victorian Automobile Chamber of Commerce (the parent) and all entities that the Victorian Automobile Chamber of Commerce controlled from time to time during the year and at reporting date. Information from the Financial Statements of the subsidiary is included from the date the parent obtains control until such time as control ceases.

Where there is loss of control of a subsidiary, the consolidated Financial Statements include the results for the part of the reporting period during which the parent has control. Subsidiary acquisitions are accounted for using the purchase method of accounting.

The Financial Statements of the subsidiary is prepared for the same reporting period as the parent, using consistent accounting policies.

All inter-related balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
3. Operating Result				
The operating result has been determined after:				
(a) Income from Operating Activities				
Special Capital Fund surplus realised in respect of:				
Net result on the disposal of components of the Special Capital Fund	7,482,903	3,002,182	7,482,903	3,002,182
Interest, recognised when due and receivable	37,270	10,816	37,270	10,816
Dividends, recognised when due and receivable	5,784,150	4,086,890	5,784,150	4,086,890
Unrealised changes in net realisable value of components of the Special Capital Fund held at the reporting date.	10,158	3,202,900	10,158	3,202,900
Member Subscriptions	3,046,452	2,865,893	3,046,452	2,865,893
Events Activity	2,823,218	2,889,079	2,823,218	2,889,079
Stationery Sales	931,726	987,477	931,726	987,477
Rental Income	4,438,088	4,126,720	4,438,088	4,126,720
Interest from Related Party	-	-	-	600,635
Bank Interest Income	42,817	45,195	42,817	40,997
Dividend Income	43,465	40,000	43,465	40,000
Advertising	222,784	284,185	222,784	284,185
Recovery of Apprentice Wages	6,635,863	5,561,560	6,635,863	5,561,560
Commissions Received	862,953	538,727	862,953	538,727
Employment, Education and Training Income	1,011,918	1,466,661	1,011,918	1,466,661
Proceeds from Sale of Non Current Assets	95,953	119,529	95,953	119,529
Other Income	1,528,718	1,271,006	1,528,718	1,263,842
Total Income from Operating Activities	34,998,436	30,498,820	34,998,436	31,088,093
(b) Expenditure from Operating Activities:				
Auditors remuneration in respect of:				
Audit services	46,000	44,000	46,000	44,000
Other services	44,000	21,753	44,000	20,493
Aggregate auditor's remuneration	90,000	65,753	90,000	64,493

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
3. Operating Result (Cont'd)				
Legal fees	294,679	154,105	294,679	140,123
Subscriptions	682,745	660,506	682,745	658,870
Investment Management Fees	447,289	371,797	447,289	371,797
Amount paid as remuneration to holders of office	428,130	429,248	428,130	429,248
Amount paid as remuneration to employees of the organisation	10,539,009	9,942,609	10,539,009	9,142,523
Amount paid in respect of superannuation	986,730	859,104	986,730	738,710
Administrative Expenses	959,609	1,041,216	959,609	1,013,781
Net Motor Portal Expenditure	-	626,896	-	53,444
Provision for Annual Leave	99,624	(30,378)	99,624	(22,532)
Provision for Long Service Leave	103,049	33,735	103,049	33,735
Provision for Loan Non-Recovery	-	-	-	(2,450,460)
Loan Write Off	-	-	-	4,554,932
Donations	42,514	12,076	42,514	12,076
Board of Management and Executive Board Expenses	245,034	202,417	245,034	202,417
Depreciation of Furniture and Fittings	56,247	59,646	56,247	59,646
Depreciation of Plant and Equipment	103,439	133,573	103,439	133,573
Depreciation of Motor Vehicles	185,317	181,785	185,317	181,785
Amortisation of Leased Plant and Equipment	132,397	152,878	132,397	53,737
Bad Debts	6,900	1,863	6,900	1,863
Stock Write-down	51,465	6,536	51,465	6,536
Operating Lease Rentals	117,647	83,276	117,647	83,276
Carrying Amount of Non Current Assets Sold	118,173	130,335	118,173	130,335
Advertising Expenses	847,792	849,772	847,792	849,772
Cost of Inventory Purchases	552,353	525,235	552,353	525,235
Divisions and Membership Expenses	629,919	562,543	629,919	562,543
Employment, Education & Training Expenses	884,602	890,064	884,602	890,064
Government & Public Affairs Expenses	75,498	125,354	75,498	125,354
Industrial Relations Expenses	350,414	322,202	350,414	322,202
Events Activity	2,630,398	2,593,499	2,630,398	2,593,499
MotorTech – Module Development Fees	-	27,339	-	27,339
Property Expenses	1,267,777	1,370,336	1,267,777	1,370,336
Telephone Expenses	138,026	144,982	138,026	136,844
VACC Brand Name Advertising Campaign	756,429	450,900	756,429	450,900
VACC House Refurbishment Expenses	258,817	890,933	258,817	890,933
New Apprentices in Retail Motor Industry	539,202	-	539,202	-
Other Operating Expenses	2,218,806	1,631,949	2,218,806	1,771,599
Total Operating Expenses Other than Borrowing Costs	26,010,140	25,000,000	26,010,140	25,000,000

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	Note	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
3. Operating Result (Continued)					
Finance charges on Leased Plant and Equipment		11,501	20,890	11,501	3,719
Interest Paid		11,770	8,224	11,770	8,224
Total Borrowing Costs		23,271	29,114	23,271	11,943
Total Operating Expenses		26,863,301	25,533,198	26,863,301	26,122,471
Net (loss)/gain on disposal of property, plant and equipment		(21,029)	(10,806)	(21,029)	(10,806)
4. Receivables					
Current:					
Trade and other Receivables		2,363,100	1,369,291	2,363,100	1,379,642
Provision for Doubtful Debts		(15,000)	(15,000)	(15,000)	(15,000)
		2,348,100	1,354,291	2,348,100	1,364,642
5. Investments - Special Capital Fund Comprises:					
Equities		44,683,894	43,030,159	44,683,894	43,030,159
Units in Property Trust		15,247,324	15,024,644	15,247,324	15,024,644
Fixed Interest		13,136,982	15,865,017	13,136,982	15,865,017
Discount Security and liquidity		21,649,883	13,244,875	21,649,883	13,244,875
		94,718,083	87,164,695	94,718,083	87,164,695
6. Investments					
Non Current:					
Property – VACC House, 464 St Kilda Road, Melbourne - at fair value (Cost \$9,970,771)		27,000,000	26,000,000	27,000,000	26,000,000
Property - Queens Road Car Park - at fair value (Cost \$1,815,000)		2,300,000	2,300,000	2,300,000	2,300,000
The fair values of freehold land and buildings on freehold land have been determined by reference to director valuations, based upon independent valuations previously obtained. Such valuations are performed on an open market basis, being the amounts for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the valuation date.					
Investments at cost comprise:					
AADA Dealer Services P/L *1		2,950	2,950	2,950	2,950
carsales.com.au Limited *2		500,000	500,000	500,000	500,000
National Freight Conference & Expo	14	500,000	500,000	500,000	500,000
Motor Network Australia Pty Ltd		-	-	-	250,000
Diminution of Investment		-	-	-	(250,000)
Investment at fair value:					
Units in MTAA House Unit Trust (Cost \$130,861) *3		327,330	307,008	327,330	307,008
		30,630,280	29,609,958	30,630,280	29,609,958

*1 The operating activity of the company is to develop commercial opportunities for the provision of services to those in the automotive industry. VACC holds a 29.5% ownership interest in AADA Dealer Services Pty. Ltd.

*2 The operating activity of the company is internet automotive classified advertising and sales and maintenance of software and websites to support the automotive industry. VACC holds 1.9% ownership interest in carsales.com.au Ltd.

*3 The operating activity of the trust is to own and manage MTAA House. VACC holds a 2.6% ownership interest in MTAA House Unit Trust.

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	Notes	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
7. Plant and Equipment					
(a) Plant and Equipment:					
Furniture and Fittings – cost		500,538	489,179	500,538	489,179
Accumulated Depreciation		(420,664)	(376,282)	(420,664)	(376,282)
Net Book Value	7(b)	79,874	112,897	79,874	112,897
Plant and Equipment – cost		3,128,966	3,277,834	3,128,966	3,277,834
Accumulated Depreciation		(2,753,655)	(2,835,510)	(2,753,655)	(2,835,510)
Net Book Value	7(b)	375,311	442,324	375,311	442,324
Motor Vehicles - cost		1,434,360	1,501,074	1,434,360	1,501,074
Accumulated Depreciation		(691,640)	(706,327)	(691,640)	(706,327)
Net book value	7(b)	742,720	794,747	742,720	794,747
Equipment under finance lease contracts - cost		369,002	519,716	369,002	519,716
Accumulated Amortisation		(257,278)	(275,594)	(257,278)	(275,594)
Written down value	7(b)	111,724	244,122	111,724	244,122
Total net book value		1,309,629	1,594,090	1,309,629	1,594,090
(b) Reconciliations:					
Furniture and Fittings					
Carrying Amount at Beginning		112,897	172,932	112,897	172,932
Additions		25,677	1,245	25,677	1,245
Disposals		(2,453)	(1,634)	(2,453)	(1,634)
Depreciation Expense		(56,247)	(59,646)	(56,247)	(59,646)
		79,874	112,897	79,874	112,897
Plant and Equipment:					
Carrying Amount at Beginning		442,324	458,379	442,324	458,379
Additions		61,401	121,186	61,401	121,186
Disposals		(24,975)	(3,668)	(24,975)	(3,668)
Depreciation Expense		(103,439)	(133,573)	(103,439)	(133,573)
		375,311	442,324	375,311	442,324
Motor Vehicles:					
Carrying Amount at Beginning		794,747	688,957	794,747	688,957
Additions		249,060	412,608	249,060	412,608
Disposals		(115,720)	(125,033)	(115,720)	(125,033)
Depreciation Expense		(185,367)	(181,785)	(185,367)	(181,785)
		742,720	794,747	742,720	794,747
Equipment Under Lease:					
Carrying Amount at Beginning		244,122	352,461	244,122	352,461
Additions		-	44,539	-	44,539
Disposals		-	-	-	-
Amortisation Expense		(132,398)	(152,878)	(132,398)	(152,878)
		111,724	244,122	111,724	244,122

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	Notes	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
8. Payables					
Trade and Other Creditors		1,753,653	1,370,441	1,753,653	1,324,610
9. Interest-Bearing Liabilities					
Current:					
Lease Liability		95,673	120,915	95,673	120,915
Non Current:					
Lease Liability		24,873	120,546	24,873	120,546
Total Interest Bearing Liabilities	15	120,546	241,461	120,546	241,461
All leases are unsecured leases					
10. Provisions					
Current:					
Provision for Annual Leave		803,837	704,213	803,837	704,213
Provision for Long Service Leave		314,150	315,271	314,150	315,271
		1,117,987	1,019,484	1,117,987	1,019,484
Non Current:					
Provision for Long Service Leave		235,634	131,464	235,634	131,464
Aggregate Employee Entitlement Liability		1,353,621	1,150,948	1,353,621	1,150,948
11. Revenue Accumulation					
Accumulated Surplus:					
Opening Balance		50,743,348	48,410,651	50,743,348	48,410,651
Result for the year		8,135,135	4,965,622	8,135,135	4,965,622
Transfer to Special Capital Fund Maintenance Reserve		(2,708,151)	(2,632,925)	(2,708,151)	(2,632,925)
		56,170,332	50,743,348	56,170,332	50,743,348
12. Reserves					
Special Capital Fund Maintenance Reserve:					
Opening Balance		48,927,849	46,294,924	48,927,849	46,294,924
Transfer from Accumulated Surplus		2,708,151	2,632,925	2,708,151	2,632,925
Total Special Capital Fund Maintenance Reserve		51,636,000	48,927,849	51,636,000	48,927,849
Asset Revaluation Reserve:					
Opening Balance		16,690,375	16,638,594	16,690,375	16,638,594
Revaluation – VACC House		1,000,000	-	1,000,000	-
Revaluation – Units in MTAA House Unit Trust		20,322	51,781	20,322	51,781
Total Asset Revaluation Reserve		17,710,697	16,690,375	17,710,697	16,690,375
Total Reserves		69,346,697	65,618,224	69,346,697	65,618,224
The Special Capital Fund Maintenance Reserve is used to record increments of the Fund, to the CPI adjusted initial value of the Fund. The Asset Revaluation Reserve is used to record increments and decrements in the value of non-current assets.					

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	Note	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
13. Reconciliation of Cash					
Cash assets		1,077,753	561,834	1,077,753	505,652
14. Interest in Joint Venture Operation					
VACC has a 50% interest in the output of a joint venture operation, called National Freight Conference & Expo, so as to offer the freight logistics industry a quality forum to display and discuss technological advances in the freight and logistics transport segment.					
Trade show/congress revenue		-	75,876	-	75,876
Trade show/congress expenses		-	(30,525)	-	(30,525)
Surplus/(deficit)			45,351		45,351
There are no capital expenditure commitments and contingent liabilities in respect of the joint venture.					
15. Expenditure Commitments					
a) Lease expenditure commitments:					
(i) Operating Leases (non cancellable):					
Minimum Lease Payments					
• Not later than one year		78,204	77,553	78,204	77,553
• Later than one year and not later than five years		131,790	122,438	131,790	122,438
• Later than five years		-	-	-	-
Aggregate lease expenditure contracted for at balance date		209,994	199,991	209,994	199,991
Aggregate expenditure commitments comprise:					
Amounts not provided for: rental commitments		209,994	199,991	209,994	199,991
Aggregate lease expenditure contracted for at balance date		209,994	199,991	209,994	199,991
Operating leases have an average lease term of 2.45 years. Items subject to operating leases are TACC office and office equipment.					
(ii) Finance lease contracts capitalised and included in plant and equipment:					
• Not later than one year		98,985	132,418	98,985	132,418
• Later than one year and not later than five years		25,515	124,498	25,515	124,498
• Later than five years		-	-	-	-
Total minimum lease payments		124,500	256,916	124,500	256,916
Less future finance charges		(3,954)	(15,455)	(3,954)	(15,455)
Lease Liability		120,546	241,461	120,546	241,461
Current		95,673	120,915	95,673	120,915
Non Current		24,873	120,546	24,873	120,546
	9	120,546	241,461	120,546	241,461

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

	2005 Consolidated \$	2004 Consolidated \$	2005 VACC \$	2004 VACC \$
15. Expenditure Commitments (Continued)				
Total lease liability accrued for:				
Current				
- finance leases	95,673	120,915	95,673	120,915
Non Current				
- finance leases	24,873	120,546	24,873	120,546
	120,546	241,461	120,546	241,461
b) Capital expenditure commitments:				
Estimated expenditure contracted for at balance date, but not provided for, payable not later than one year				
VACC House Refurbishment	476,255	23,885	476,255	23,885
Total Commitments	476,255	23,885	476,255	23,885

16. FINANCIAL INSTRUMENTS

(a) Terms, conditions and accounting policies

Receivables arise from the sale of a range of products and services made on credit, due in 30 days. The total receivable at reporting date is shown net of a provision for amounts estimated to be uncollectable. Interest is not charged on outstanding amounts.

Details of the terms, conditions and accounting policy associated with Special Capital Fund Investments are set out in Note 2 (d). Investment Managers' mandates permit the use of derivatives to cover investment and foreign currency exposure. The use of derivatives is not to exceed the underlying physical investment.

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the economic entity. Trade accounts payable are normally settled on 30 day terms and no interest is incurred on those accounts.

Included in borrowings are amounts due under finance leases accounted for in accordance with AAS17. As at reporting date, the outstanding finance lease contracts had an average term of 0.9 years (2004 : 1.7 years) and an average implicit discount rate of 5.8% (2004 : 6.4%).

(b) Interest rate risk

As at reporting date, the economic entity exposure to interest rate risk related to finance leases (refer Note (a) above) and cash and deposits whose weighted average effective interest rate is 4.15% (2004 : 3.9%). As at reporting date, there were no unrecognised derivatives.

(c) Net fair values

The following methods and assumptions are used in determining the net fair values of financial assets and liabilities.

The net fair values of financial instruments, all of which are recognised in the financial statements, approximate the amounts at which they are carried in the Statement of Financial Position and in the Notes to the Financial Statements. In relation to an asset, the fair value is calculated after deducting costs expected to be incurred were the asset to be exchanged, and in relation to a liability, the fair value is calculated after adding costs expected to be incurred were the liability to be settled.

(d) Credit risk exposures

The economic entity maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the Statement of Financial Position. Exposure is limited by the economic entity trading with a large number of customers.

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

17. RELATED PARTY DISCLOSURES

The Members of the Victorian Automobile Chamber of Commerce Executive Board during the financial year were:

A. D. Blake	J. P. Howes (term of office expired 10 April 2005)
O. C. Brown OAM	A. La Rosa (elected 11 April 2005)
J. J. Buskes (elected 11 April 2005)	P. G. Makin
J. L. Byford (term of office expired 10 April 2005)	R. N. Stuckey
G. G. Hill	G. T. Wallace (term of office expired 10 April 2005)

There were no transactions with Executive Board members except on commercial terms and conditions.

18. REMUNERATION OF DIRECTORS	2005 VACC \$	2004 VACC \$
Amounts paid or payable or otherwise made available to directors	-	-
Number of directors whose income from the Chamber or any related party falls within the following bands:	No.	No.
\$ 0 – 9,999	10	8

19. SEGMENT INFORMATION

The economic entity operates predominantly in one industry segment as an Employer Organisation for the automotive industry in Victoria and Tasmania.

20. SUBSEQUENT EVENT

There have been no subsequent events to 30 June 2005 that may significantly effect the economic entity.

21. IMPACT OF ADOPTING AASB EQUIVALENTS TO IASB STANDARDS

The Australian Accounting Standards Board (AASB) adopted the Australian equivalents of the International Financial Reporting Standards (AIFRS) for application to reporting periods beginning on or after 1 January 2005. The adoption of Australian equivalents to AIFRS will therefore be first reflected in the economic entity's financial statements for the year ending 30 June 2006.

The economic entity has commenced transitioning its accounting policies and financial reporting from current Australian Accounting Standards to AIFRS. As the economic entity has a 30 June year end, priority has been given to considering the preparation of an opening balance sheet in accordance with AASB equivalents to IFRS as at 1 July 2005. This will form the basis of accounting for Australian equivalents of IFRS in the future, and is required when the economic entity prepares its first fully IFRS compliant financial report for the year ended 30 June 2006. Set out below are the key areas where accounting policies will change and may have an impact on the financial report.

- Under AASB 119 *Employee Benefits*, a distinction is made between short term and long term employee benefits. AASB 119 Employee Benefits requires liabilities for short term employee benefits to be measured at nominal amounts and liabilities for long term employee benefits to be measured at present value. Short term employee benefits are defined as employee benefits that fall due wholly within 12 months after the end of the period. Therefore, liabilities for employee benefits such as wages and salaries, and annual leave are required to be measured at present value where they are not expected to be settled within 12 months of the reporting date.
- Under AASB 136 *Impairment of Assets*, the recoverable amount of an asset is determined as the higher of its net selling price and value in use. The entity's current accounting policy is to determine the recoverable amount of an asset on the basis of discounted cash flows.

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

- (c) Under AASB 139 *Financial Instrument: Recognition and Measurement*, financial instruments will be required to be classified into one of five categories which will, in turn, determine the accounting treatment of the item. The classifications are loans and receivables – measured at amortised cost, held to maturity – measured at amortised cost, held for trading – measured at fair value with fair value changes charged to net profit or loss, available for sale – measured at fair value with fair value changes taken to equity and non-trading liabilities – measured at amortised cost. This will result in a change in the current accounting policy that does not classify financial instruments. Current measurement is at amortised cost, with certain derivative financial instruments not recognised on Statement of Financial Position.
- (d) Under AASB 140 *Investment Properties*, are measured using the fair value model, under which an investment property is measured, after initial measurement, at fair value with changes in fair value recognised as an increment or decrement to the Asset Revaluation Reserve.

Impact on 30 June 2005 Reported Results

The changes in accounting policies described above are not expected to have a material impact on the entity's Net Asset position to 30 June 2005 and the Net Surplus for the year ended 30 June 2005.

22. CHAMBER INFORMATION

Victorian Automobile Chamber of Commerce is:

- domiciled in Australia
- incorporated under the Workplace Relations Act 1996
- registered address and principal place of business is VACC House, 464 St Kilda Road, Melbourne, Victoria 3004
- principal activity is that of an Employer Organisation
- number of employees as at 30 June 2005 was 99
- number of apprentices as at 30 June 2005 was 350.

DIRECTORS' DECLARATION

BOARD RESPONSIBILITIES

The Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

The Board ensures that Management's objectives and activities are aligned with the expectations and risks identified by the Board and has a number of mechanisms in place to ensure this is achieved.

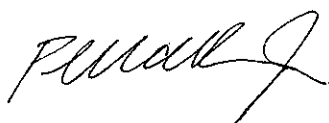
These mechanisms include the following:

- Development and approval of initiatives and strategies designed to ensure the continued growth and success of the Victorian Automobile Chamber of Commerce;
- Approval of operating plans and budgets prepared by Management and Board monitoring of progress against budget; and,
- Establishment and monitoring of key performance indicators (both financial and non-financial) for all significant business processes.

On behalf of the Board



Anthony D. Blake
PRESIDENT



Percival G. Makin
SENIOR VICE PRESIDENT

Date: 14 September 2005

EXECUTIVE BOARD'S CERTIFICATE

On 14 September 2005 the Executive Board of the Victorian Automobile Chamber of Commerce passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2005:

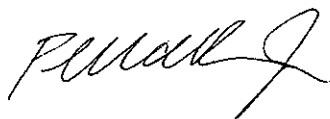
The Executive Board declares in relation to the GPFR that in its opinion:

- (a) The Financial Statements and Notes comply with the Australian Accounting Standards;
- (b) The Financial Statements and Notes comply with the reporting guidelines of the Industrial Registrar;
- (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;
- (e) During the financial year to which the GPFR relates and since the end of that year:
 - (i) Meetings of the Executive Board were held in accordance with the Rules of the Organisation; and,
 - (ii) The financial affairs of the reporting unit have been managed in accordance with the Rules of the Organisation; and,
 - (iii) The financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and,
 - (iv) The information sought in any request of a member of the reporting unit or a Registrar duly made under Section 272 of the RAO Schedule has been furnished to the member or Registrar; and,
 - (v) No orders have been made by the Commission under Section 273 of the RAO Schedule during the period.

On behalf of the Board



Anthony D. Blake
PRESIDENT



Percival G. Makin
SENIOR VICE PRESIDENT

Date: 14 September 2005

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2005

I, ANTHONY BLAKE, being the designated officer responsible for preparing this Report for the financial year ended 30 June 2005 of the Victorian Automobile Chamber of Commerce report as follows:

Principal Activities:

1. The Victorian Automobile Chamber of Commerce ("VACC") is an employer organisation, which provides various services to members operating in the retail automotive industry.
2. Representing members in industrial matters and disputes, equal opportunity matters and presenting submissions to industrial and other tribunals.
3. Representing the retail automotive industry in discussions and consultations with Federal and State Governments.
4. Promoting retail automotive businesses in Victoria.
5. Arranging and promoting the adoption of uniform and equitable forms of contracts, hiring agreements and other documents used in retail automotive businesses.
6. Providing assistance, advice and information in the areas of specialist technical services, industrial relations, human resource management, OH&S and workers' compensation management.
7. Conducting training seminars in equal opportunity, occupational health and safety, WorkCover, and workplace agreements, etc.
8. Operating a group training scheme for apprentices and trainees.
9. Operating the VACC College of Automotive Business Management, offering certificate, diploma and short courses in automotive business management.
10. Development of Codes of Practice.
11. Collecting and circulation of statistics and other information relating to the retail automotive trade.
12. Publishing periodicals.

Review of Principal Activities

The consolidated surplus from ordinary activities for the year ended 30 June 2005 was \$8,135,135 (2004: \$4,965,622).

Consolidated revenues from ordinary activities were \$34,998,436 (2004: \$30,498,820) and expenses from ordinary activities were \$26,863,301 (2004: \$25,533,198).

Significant Changes

There were no significant changes in the state of affairs of the Association during the financial year.

Manner of Resignation:

Members may resign from the Association in accordance with Rule 16 which reads as follows:

- (1) Any member may resign his membership in accordance with this rule and from the date of such resignation such member shall cease to be a member, but shall nevertheless remain liable for and pay to the Association all moneys which at the time he ceases to be a member may be due by him to the Association, and at once return all badges, certificates, and/or other property of the Association held by him.

Any dues payable but not paid by a former member of the Association, in relation to a period before the member's resignation from the Association took effect, may be sued for and recovered in the name of the Association, in a court of competent jurisdiction, as a debt due to the Association.

VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2005

- (2) The notice of resignation shall be in writing addressed to the Executive Director and shall be delivered to him by:
- (a) Leaving it with him personally; or,
 - (b) Leaving it in an envelope addressed to him at the registered office of the Association; or,
 - (c) Posting it in an envelope addressed to him at the registered office of the Association.
- (3) The notice of resignation takes effect:
- (a) where the member ceases to be eligible to become a member of the Association:
 - (i) on the day on which the notice is received by the Association; or,
 - (ii) 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,
 - (b) in any other case:
 - (i) at the end of 2 weeks after the notice is received by the Association; or,
 - (ii) on the day specified in the notice;whichever is later.
- (4) A notice delivered to the Executive Director shall be taken to have been received by the Association when it was delivered.
- (5) A notice of resignation that has been received by the Association is not invalid because it was not addressed to and delivered to the Executive Director.
- (6) A resignation from membership of the Association is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Association that the resignation has been accepted.

Officers or Members holding the position of a trustee of a superannuation entity are as follows:

David Purchase OAM, the Executive Director of VACC and Owen Brown, OAM, Executive Board Member, are Directors of VACC Superannuation Company Pty Ltd, the Trustee for the VACC Staff Superannuation Fund.

David Purchase OAM is also a Director of CARE Super Pty Ltd, the Trustee for the Clerical and Related Employees Industry Superannuation Fund.

Number of Members

The number of persons at 30 June 2005 who were recorded on the Register of Members of the Association was 5,092.

Number of Employees

The number of employees of the Association at 30 June 2005 was 99 full time employees and 350 apprentices.

**VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE
OPERATING REPORT FOR THE YEAR ENDED
30 JUNE 2005**

Members of Committee of Management

The persons who held office as members of the Committee of Management of the Association during the reporting period are:

Don Armstrong AM	Neville Arnott (term of office expired 20 February 2005)
Mark Awramenko (elected 21 February 2005)	John Bacon
Tony Barlow	Bob Bowman (term of office expired 20 February 2005)
Fury Bortolotto	Anthony Blake
Craig Bromley	Des Brown
Owen Brown OAM	John Buskes
Garry Byrne	John Byrne (elected 21 February 2005)
John Byford (term of office expired 20 February 2005)	Alan Costello
Morry Corvasce (elected 12 April 2005)	Brian Curmi
Colin Doherty (elected 21 February 2005)	John Forza (elected 21 February 2005)
Ian Goding	Doug Grey
Wayne Guy (term of office expired 20 February 2005)	Steve Hall
Graeme Hill	Rodney Howell (elected 21 February 2005)
John Howes	Tony Hubbard (term of office expired 20 February 2005)
Dale Imlach (term of office expired 20 February 2005)	Richard Kaucic
Aslam Kazi (term of office expired 20 February 2005)	Max Kirwan OAM
James Lamb (elected 21 February 2005)	Bill La Rocca (elected 21 February 2005)
Tony La Rosa	David Mackay
Perce Makin	Sam Manenti
Graeme McIlwaine (elected 21 February 2005)	Charles McInerney (term of office expired 20 February 2005)
Gary McKendry (elected 21 February 2005)	Alan Mead (term of office expired 20 February 2005)
David Nutter	Trevor Oliver
Marie Pangbourne (term of office expired 20 February 2005)	Laurie Parrot
Gerry Raleigh (elected 12 April 2005)	Ken Rickard (term of office expired 20 February 2005)
Sandy Richards (elected 21 February 2005)	Tony Sanchez
Peter Savige	Joe Shneider
Ian Shugg (term of office expired 20 February 2005)	Neil Smith
Warren Smith	Russell Stuckey
Ian Thomas	Bruce Thompson (elected 21 February 2005)
Greg Wallace	Jeff Watts
Colin Waugh (elected 21 February 2005)	Stuart Wishart (term of office expired 20 February 2005)
Robin Weatherald	Tony Wylie

On behalf of the Board



Anthony D. Blake
PRESIDENT

Date: 14 September 2005

Independent audit report to members of Victorian Automobile Chamber of Commerce

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the Executive Board's certificate for the Victorian Automobile Chamber of Commerce ("VACC) and the consolidated entity, for the year ended 30 June 2005. The consolidated entity comprises both the VACC and the entities it controlled during the year.

The Executive Board of the VACC are responsible for preparing a financial report that presents fairly the financial position and performance of the VACC and the consolidated entity, and that complies with Accounting Standards in Australia, in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the VACC. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the VACC and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Executive Board.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the VACC.

Independence

We are independent of the VACC, and have met the independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

Audit opinion

In our opinion, the financial report of the VACC presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the VACC and the consolidated entity's financial position as at 30 June 2005, and of their performance as represented by the results of their operations and cash flows for the year then ended.



D J Thorn
Partner
Ernst & Young
Melbourne
Date: 14 September 2005