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## OVERVIEW

National Road Carriers (Inc) (formally Auckland Owner Drivers Association) was formed in 1936 supporting and representing those who choose to make a living in the transport industry.

NRC provides a range of service offers to its Membership and is the primary source, for many, of information and advice on most issues relating to the Transport Industry. The level of advice has increased with three Executive Officers available to handle enquiries, with a total of 6 staff on call to assist. The Cost Model remains one of the Association's primary tools.

External information and support is provided through key Commercial Partners in the areas of law, tax, insurance and health and safety. Whilst Auckland based there are very few areas we can't get to within a few hours when Members need to see us face to face.

National Road Carriers has developed Partners to provide members with preferential pricing and service offers leveraging of total volumes and marketing opportunities. This has provided savings to members as well as revenue streams into the Association that assist to increase the range of services offered without increasing the subscription to members.

Lobbying and advocacy is managed on behalf of the members at two levels, directly by NRC and through Membership to the Road Transport Forum (RTF).

NRC are actively working with Government Agencies to gain improvements in the shared working environment within the existing rules and regulations. These relationships are based on identifying best practice and communicating this accordingly to gain willing compliance.

Items that require legislative or Government Policy changes are forwarded to the RTF to push for the Industry as a whole. In the increasingly legislative environment it is vital the industry has one common voice when talking to the politicians, this role falls to the team at the RTF.

One area of direct advocacy NRC has an active involvement in Auckland, with a key role on the Auckland Business Forum and participation on the Auckland Freight Forum. This has ensured the interests of Transport Operators are factored into future plans for this city's infrastructure.

### WE WOULD LIKE TO THANK OUR SPONSORS:



# CHAIRMAN'S ANNUAL REPORT 2019



To our members, commercial partners, fellow directors of the executive board, life members and staff, welcome to the 83rd Annual General Meeting.

Its been a busy year for many with the Transport Industry being in the spotlight for not all the right reasons.

Road Safety is the foremost concern at present, we lost 382 people on the roads last year, the worst annual road toll on record since 2009.

The volume of drivers on our roads has increased dramatically over the years, we must all commit to reducing death and injury on our roads.

Its time NZTA and local government sorted our road network out, the excuse of there are no funds or it will be sorted in the next financial year is simply not good enough.

**We have addressed several issues, these include:**

## NZTA SAFETY AUDITS

Since October last year NZTA has taken action against more than 250 transport operators and drivers, revoking the licences of 51 companies with poor safety records. In that period NZTA has given notice of similar action against a further 114 transport operators and drivers.

We support NRC members facing an audit by providing our industry knowledge and understanding of NZTA's procedures to help them meet NZTA's information requests and requirements.

Almost any company that listens to and follows the recommendations of NZTA following an initial compliance meeting can avert an audit and the early stage is when we are best able to assist.

## AUCKLAND TRANSPORT SPEED LIMITS BYLAW

Auckland Transport's plan to reduce speed limits on more than 700km of Auckland roads calls for a blanket 30km/h speed zone across more than 40 roads in the Auckland CBD. This is a blanket approach that seems likely to have little effect on road safety at the cost of greater congestion.

From NRC's perspective, instead of reducing speed limits we should be focusing our attention on network integration that can contribute to improved economic performance, better quality of life for Auckland businesses and residents and better safety for transport users.

NRC and RTF are working hard on behalf of the road transport industry to make these concerns heard by AT. We have made written and verbal submissions on the Speed Limits Bylaw 2019 and are concerned if successful in Auckland, will roll out changes throughout New Zealand without proper analysis of the real issues.

## SUPPLY CHAIN COMPLEXITY

What do typhoons, crane accidents and clogged roads have in common? The answer is hold-ups at ports – in our case Port of Auckland. As a result, imported freight takes longer to deliver and exporters encounter delays getting their goods away.

The net result is the road freight transport industry is having to increase its charges for delivering freight to and from the port to cover these additional costs. Hold-ups anywhere can flow all the way through the supply chain to its end, whether the cargo is inbound or exported.

Supply chains are complex with many players and many issues. NRC has engaged closely with Port of Auckland and other stakeholders to understand the issues. Through our communications we are helping make members to make their customers aware of how the supply chain is changing and the need to adapt to the new normal.

## DRIVER SHORTAGE

The Road Freight Transport and Sector Workforce Employment Programme (SWEPE) group continues to encourage members to support polytechnic courses and bring under 25-year olds to the industry to address the driver shortage. Since the SWEPE was formed in 2017 to attract more drivers into the industry there has been a 10 per cent rise in the issuing of Class five licenses.

Through our efforts significant numbers of female students have enrolled in a Commercial Road Transport (CRT) Programme being held at Manukau Institute of Technology (MIT). The course, the first of its kind at MIT, aims to graduate students with learner's class 4 driving licenses. Previously MIT has focused on administrative road transport courses – logistics and freight.

The seven-month (CRT) course is equally divided between classroom and practical work with a one day a week placement with a trucking company.

The success of the CRT course depends on the industry setting up groups of companies to support the programme and provide on the job experience.

Regards  
A handwritten signature in black ink, appearing to read 'Don Wilson'.

Don Wilson  
Chairman

# CHIEF EXECUTIVE REPORT 2019



## STRONG GROWTH, INDUSTRY ADVOCACY, MEMBER BENEFITS

National Road Carriers (NRC) has continued to go from strength to strength in the year ended 31 March 2019, growing our membership, improving member engagement and building closer relationships with stakeholders. We continue to provide a voice and representation for the road transport industry with Government and local government

agencies, related business sectors including infrastructure and ports and the road-using and voting public.

Increasing numbers of members are using our sophisticated and comprehensive cost model tool that provides tailored guidance on fleet and parts purchasing no matter whether you are a sole owner driver (59% of our members) or are operating tens or hundreds of trucks. Savings from using this tool alone can easily cover the cost of membership.

We also continue to provide member benefits through our partnerships, particularly with JLT, Mobil, Vodafone, Fortune Manning, and Super Advice, which is seeing a growing uptake of lifestyle interruption cover. We are pleased to have recently renewed our partnership agreement with Z/Caltex which will now see a joint Z/Caltex card opening up the network of Truck Stops and Service Stations to NRC members.

We are looking to the future to research and advise members on exciting developments with new generation low emission diesel engines, electric vehicles – better suited for round town carriers and hydrogen fuelled trucks – which are already being used in Japan and the United States for line haul.

## YEAR HIGHLIGHTS

### Member growth

NRC saw our membership grow 2018 in addition to new Western Central and Whanganui members joining the association in June 2018. We welcome these members who have had a smooth transition into the NRC fold. It is heartening to see the value of association membership being recognised by these operators.

## New Personnel

In December 2018 Nick Leggett was appointed CEO of the Road Transport Forum (RTF). RTF works with national, regional and local government to further the development of an efficient and cost effective road freight sector. Nick's energy and his experience as a chief executive, board director, and former Mayor of Porirua has made an immediate impact.

To NRC we also welcomed new Executive Officers Tom Cloke in Taranaki and Jason Heather in Auckland, both of whom bring considerable industry experience, plus the energetic Marie Klokova as Membership Marketing Co-ordinator in Auckland. These appointments create a great team that enables NRC to function effectively and better serve the needs of members.

## Sustainability

This year we have looked seriously at business and environmental sustainability. The road freight sector is a responsible and professional industry and it is great to receive sector support. Watch this space for more activity in this area as we look to steer the industry to environmentally sustainable practices that can drive savings and provide better financial returns to our member businesses.

## Financials

With new members boosting subscriptions, NRC Group income edged over \$2 million, up from \$1.84 million last year. We have recorded surplus of \$72,402. This is down on the previous year (\$155,209) due to associated costs bringing Western Central and Whanganui members on-board and additional staff member, vehicle and promotional materials.

## LOOKING FORWARD

We are about to undertake a strategy session in order to put a new strategic plan in place. We will involve members and broader stakeholders in this process as we continue in our journey towards building a stronger, more sustainable road transport industry.

David Aitken

## IMPORTANT INFORMATION REGARDING THE ANNUAL GENERAL MEETING

### Full Members:

All financial Members, their spouses or partners are eligible to attend the Annual General Meeting, and are most welcome.

### Associate Members:

Associate Members are most welcome to attend the Annual General Meeting but shall not be entitled to vote or to be a Committee Member.

### Motions:

Members wishing to propose Motions of a complicated or constitutional nature should provide details in writing to the Chief Executive Officer by the 19th of June 2019.

### Election of Members to the Executive Committee:

Written nominations are required to be in the hands of the Chief Executive Officer seven days before the date of the Annual General Meeting.

Close off for Nominations:

**19th of June 2019**

### Agenda:

The Agenda and background material will be forwarded to full Members who register to attend the Annual General Meeting.

### Proxy Voting:

Any full Member may appoint any person to be his/its proxy to attend and vote at a General Meeting on his/its behalf. Such proxy must be lodged with the Chief Executive Officer at least twenty four (24) hours before the General Meeting at which such vote is to be exercised.

### Voting at an AGM:

A company or partnership who is a full Member shall be entitled to nominate only one of its directors or partners to attend general meetings and exercise the vote for and on behalf of that company or partnership. Such nominations shall be made in writing and lodged with the Chief Executive Officer at least twenty four (24) hours before the commencement of the General Meeting.

### Registration:

To assist in our organisation, Members intending to attend the Annual General Meeting who have not already registered attendance with the Association Office are asked to register by completing the Registration Form already circulated and returning it to this Office by the 17th of June 2019 or email [enquiries@natroad.co.nz](mailto:enquiries@natroad.co.nz)

### Dress Standards:

Members are asked to observe a dress standard fitting the formality of an Annual General Meeting.

### Secretary Details:

Contact: Paula Rogers  
Phone: 09-622 2429, DDI: 09-636 2957  
Fax: 09-622 2529  
Post: PO Box 12100 / Penrose / AUCKLAND 1642  
Email: [paula.rogers@natroad.co.nz](mailto:paula.rogers@natroad.co.nz)

# AGENDA

## 83rd ANNUAL GENERAL MEETING

To be held at The Conference Room, Novotel, Ellerslie, Auckland

**On Friday the 28th of June, 2019**

Annual General Meeting commences at **6.30pm**

- 1 Welcome and Introduction
- 2 Apologies and Obituaries
- 3 Confirmation of Minutes  
Confirmation of the Minutes of the Annual General Meeting held on Friday the 29th of June 2018
- 4 Chairman's Report
- 5 Adoption of the Annual Accounts  
Adoption of the Annual Accounts for the year ended 31st March 2019
- 6 Election of the Board
- 7 Election Results
- 8 General Business
- 9 Meeting Close

## 83 YEARS

National Road Carriers (Inc) would like to thank all Members for the continued support. We also would like to thank our Commercial Partners and Government Agencies for the provision of services and products to our Members and your support of National Road Carriers (Inc).

These Companies and Agencies support us, and we encourage you to support them. We would like to acknowledge these partners for their positive approach to improving the environment our Members work in. National Road Carriers (Inc) looks forward to assisting our Members and will continue to provide you with optimal partnerships in the future.

National Road Carriers (Inc)

*Platinum Partners*

**Mobil**<sup>™</sup>

An ExxonMobil Brand



**vodafone**

**JLT**



**CALTEX**

# NATIONAL ROAD CARRIERS (INC) MINUTES

## NATIONAL ROAD CARRIERS (INC)

29th June 2018

### 82nd Annual General Meeting

#### AGM

7.15pm

David Aitken - CEO requested members and board take their seats.

Mark Wright owner of Trucks & Trailers Ltd welcomed everyone to their premises. A health & safety brief was given along with a summary of their history and the many benefits trucks & trailers can offer members.

#### 1. WELCOME AND INTRODUCTION

Don Wilson (Chairman) welcomed distinguished guests, visitors, life members and members to the 82nd Annual General Meeting of National Road Carriers (Inc)

Don Wilson officially called the meeting to order and asked Paula Rogers, Executive Officer of NRC to take the Minutes for this AGM

Don Wilson then thanked the evenings sponsors Trucks and Trailers Ltd, Mercedes-Benz, Freightliner, Fruehauf, JLT, Fortune Manning, Truck & Driver, Super-Advice, Vodafone, Panasonic, Transmech & CDL Autoparts.

Don welcomed all the certificate recipients making a special mention of the 50 year on that was in attendance.

He requested Past Presidents & Life members of NRC to stand.

Don Wilson thanked them for their continued support of the Association.

Don Wilson introduced the Members of Board:

Don Wilson	Chairman
Grant Madill	Vice Chairman
John Baillie	O.D Representative (Co-Opted member)
Leif Blair	Immediate past Chairman
Calven Bonney	RTF-Director
Steve Doughty	RTF-Director – RFT/Swep Chairman
Greg Pert	RTF-Director
Robert Pascoe	
Michael Herrick	

Don Wilson thanked the board for their time and effort put into the Board on behalf of members.

#### 2. NOTICE OF MEETING

The Chairman asked CEO David Aitken to confirm that the AGM notice was placed in the herald on the 11th May 2018 to which David Aitken confirmed.

#### 3. APOLOGIES

Apologies were read as listed:

Darryl Yates  
Greg Sheehan  
Graham Pearce  
Lewis Clotworthy  
Greg Crean  
Ken Shirley  
Grant Wadsworth  
David Blyth  
Glenn Eavestaff  
Tony Gibson  
Ian Pringle  
Neil Reid  
Meryn Morrison  
Wayne Butler  
Tony Cook  
Tony Galbraith  
Shane Ward  
Bryan Surgenor

Neil Otway  
Alastair Mason  
Craig Roderick  
Brian Roderick  
Grant Wadsworth  
Peter Drum  
Rob Thompson  
Travers Bonney  
Peter Richmond  
Ben McCool  
John Davies  
Steve Shade  
Bruce Moulden  
Warwick Rhodes

#### Apologies were called from the floor

Chad Wells  
Trevor Woolston  
Kevin Loney

#### Don Wilson moved that the apologies be accepted:

Seconded: Greg Pert  
**Carried**

#### 4. OBITUARIES

Don Wilson read the list of members and friends of the industry who had passed away during the year:

Boris Sokolich  
Stanley Heaslip  
Graham Keane  
Geoffrey Webb  
Geoff Walsh  
Roy Markovina  
Tai Paitai  
Pat Mear  
Brian Scarborough  
Don Munro

Don Wilson then asked from the floor if there any other members or friends of the industry who have passed away in the last year.

As there were nil, Don Wilson invited all attendees to stand for a moment's silence.

#### 5. CONFIRMATION OF MINUTES - AGM HELD ON Friday 23rd June 2017

Don Wilson moved that:

"The Minutes of the 81st Annual General Meeting held on 23rd June 2017 having been previously circulated were taken as read and confirmed."

Seconded: Steve Doughty  
**Carried**

#### 5.1 ANY MATTERS ARISING FROM MINUTES

The Chair asked if there were any matters arising from the minutes  
nil

#### 6. CHAIRMAN'S REPORT – AS READ

To our members, commercial partners, fellow directors of the Executive Board, Life members and staff, welcome to the 82nd Annual General Meeting.

As an industry, it has been an active 12 months with many challenges and rewards.

The change in government after 9 years under National has seen changes in direction particularly around transport infrastructure. The theme was around increased rail, dropping the Roads of National Significance, licencing in schools, Prioritise National Land Transport Fund towards rail infrastructure as well as cycling and walking and increased public transport.

As with the previous government, funding remains an issue for the much-needed infrastructure. A Regional Fuel Tax (RFT) will be implemented in Auckland July 1st with other regions able to apply from January 1st, 2021. The only choice the industry has, is to pass any additional costs onto the customer. We believe there is more effective ways to collect the necessary funds to deliver the transport funding required, i.e. road pricing/ congestion charging.

One of the biggest issues remains to be the driver shortage. The Road Freight Transport Group, together with government through Sector Workforce Employment Programme(SWEP) has made good progress since appointing Steve Divers to Director Career Pathways – Road Freight Transport back in February 2017. This work takes time but will be worth it in the long run.

In July 2017, the bacterial infection Mycoplasma bovis was found in cattle in the Oamaru area of the South Island. The Government has now agreed with dairy and beef sector partners to attempt to eradicate the disease from New Zealand. This is a trying time understandably for all involved and we are doing everything we can to offer our support.

It is a great honour for the road transport industry to have one of its own, Calven Bonney honoured in the Queens New Year's Honours list with a Member of the New Zealand Order of Merit. (MNZM). The award recognises his more than 40 years of service to the trucking industry and his involvement in motorsport.

Hopefully you will have seen our increased media presence and commentary. This is a direct result of the members telling us they wanted to see and hear more about what we are doing. In addition, we have also been sending out "What we do" reports so you can see some to areas the team is working on to keep you informed.

The NRC Board and Staff are very busy actively working on your behalf, NRC is highly respected throughout government agencies and representation is vital on the many committees / working groups around the country to make sure our voice is heard.

I wish to thank on behalf of the Directors, David and the associations staff for their part in NRC's success and to also extend a big thank you to our loyal suppliers and partners whom without we would not be able to offer you our members the level of support we currently do.

Finally thank you to you our members for your continued support of our association.

I move that the Chairman's report for the year ending 31st March 2018 be adopted and call for seconder

Secunder: Michael Herrick  
**Carried**

## 7. ANNUAL ACCOUNTS

The Chairman advised that the Audited Annual Accounts had been circulated in advance to members and asked if there were any questions regarding the accounts.

There being no questions Don Wilson moved the annual accounts for the year ended 31 March 2018 be adopted.

Secunder: Robert Pascoe  
**Carried**

## 8. ELECTION OF MEMBERS TO BOARD

Don Wilson, Chairman advised that: As per the constitution nominations for election to the board must have been received by the CEO at least 7 days before the date of the AGM. In addition, one third of the directors shall retire annually.

The three due to retire:  
Grant Madill  
Robert Pascoe  
Michael Herrick

Only three board positions available for election and there had been four nominations received by the CEO:

The nominations received were from:

Blake Noble  
Grant Madill  
Robert Pascoe  
Michael Herrick

Two scrutineers were elected, Shafraz Khan & Philip Clauzel

Secunder: Greg Pert  
**Carried**

**Don reminded everyone that only full members are entitled to vote and asked the nominee to say a few words. Votes were collected and sent with scrutineers to count.**

"The Association has had an influx of members from Taranaki/ Whanganui. This is an exciting prospect for NRC. It increases our national outreach and enhances our position as the leading Transport Assn.

It is important that NRC is able to deliver the advocacy, representation and services that these members have come to us for. It will therefore make it easier for NRC to have a representative from Taranaki/Whanganui on the Board. We therefore propose that one member from Taranaki/Whanganui be added to the Board as a temporary appointment for 3 years while NRC grows its membership base in that area.

Secunder: Paul Chappel  
**Carried**

## 9. APPOINTMENT OF THE AUDITOR

Don Wilson, Chairman moved that RSM Hayes be appointed as National Road Carriers (Inc) auditors for the next financial year

Secunder: Greg Pert  
**Carried**

## 10. GENERAL BUSINESS

As there was no further general business the Chairman asked the CEO to give everyone an update on NRC.

The votes and results then came in:

**Don Wilson introduced the Board for 2017-2018**

Don Wilson  
Grant Madill  
Leif Blair  
Calven Bonney  
Steve Doughty  
Robert Pascoe  
Greg Pert  
John Baillie  
Blake Noble

Don Wilson reminded all members that they encourage new members onto the board. If anyone is thinking of becoming a board member or wondering what it takes, to talk to himself, David Aitken or any of the current board.

The Meeting Closed at 8pm.  
Don Wilson thanked his board and officially dismissed them.

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Signed by Chairman

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Date

**NATIONAL ROAD CARRIERS INCORPORATED**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

for the year ended 31 March 2019

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**DIRECTORY**

For the year ended 31 March 2019

Registered office and principal place of business	326 Church Street Penrose Auckland
Nature of Business	Trade Association
Incorporated Society Number	221461
Independent Auditor	RSM Hayes Audit Level 1, 1 Broadway Newmarket Auckland 1023
Bankers	Bank of New Zealand Auckland
Solicitors	Fortune Manning Lawyers 66 Wyndham Street Auckland
Governing Body Members	Leif Blair Don Wilson (Chairperson) Calven Bonney Steve Doughty John Baillie Blake Noble Robert Pascoe Greg Pert

**NATIONAL ROAD CARRIERS INCORPORATED**

**Committee Members' Report and Statement of Responsibility for Consolidated and Separate Financial Statements  
For the year ended 31 March 2019**

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**Committee Members' Report**

The Committee Members of National Road Carriers Incorporated ("association") and Group present this Annual Report, being the consolidated and separate financial statements of the association and Group for the financial year ended 31 March 2019, and the independent auditor's report thereon.

**Statement of Responsibility**

The Committee Members are responsible for the maintenance of adequate accounting records and the preparation and integrity of the consolidated and separate financial statements and related information.

The independent external auditors, RSM Hayes Audit, have audited the consolidated and separate financial statements and their report appears on pages 9 to 10.

The Committee Members are also responsible for the systems of internal control. These are designed to provide reasonable but not absolute assurance as to the reliability of the consolidated and separate financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements.

Appropriate systems of internal control have been employed to ensure that all transactions have been executed in accordance with authority and correctly processed and accounted for in the financial records. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Committee Members to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The consolidated and separate financial statements are prepared on a going concern basis. Nothing has come to the attention of the Committee Members to indicate that the Group will not remain a going concern in the foreseeable future.

In the opinion of the Committee Members:

- the consolidated and separate statement of comprehensive revenue and expense is drawn up to present fairly, in all material respects, the financial result of the association and Group for the financial year ended 31 March 2019;
- the consolidated and separate statement of financial position is drawn up so as to present fairly, in all material respects, the state of affairs of the association and Group as at 31 March 2019;
- the consolidated and separate statement of cashflows is drawn up so as to present fairly in all material respects the cashflows of the of the association and Group for the year ended 31 March 2019;
- there are reasonable grounds to believe that the association and Group will be able to pay its debts as and when they fall due.

For and on behalf of the Committee Members:

  
Chairman

17-6-19  
Date



17-6-19  
Date

Vice Chairman

Date

## Independent Auditor's Report

### To the members of National Road Carriers Incorporated

RSM Hayes Audit

PO Box 9588  
Newmarket, Auckland 1149  
Level 1, 1 Broadway  
Newmarket, Auckland 1023

T +64 (9) 367 1656  
www.rsmnz.co.nz

### Opinion

We have audited the consolidated and separate financial statements of National Road Carriers Incorporated and its subsidiaries (the group), which comprise:

- the consolidated and separate statement of financial position as at 31 March 2019;
- the consolidated and separate statement of comprehensive revenue and expense for the year then ended;
- consolidated and separate statement of changes in net assets/equity for the year then ended;
- consolidated and separate statement of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements on pages 11 to 25 present fairly, in all material respects, the financial position of the group and association as at 31 March 2019, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report.

We are independent of the group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

We have formatted the financial statements of the group to which our audit opinion relates, based on the trial balance and other records of the group. We were not involved in the compilation of those records or the entries they contain. The provision of this service has not impaired our independence as auditor of National Road Carriers Incorporated and its subsidiaries. Except in this regard, and other than in our capacity as auditor, the firm has no other relationship with, or interests in, National Road Carriers Incorporated and its subsidiaries.

### Other information

The committee members are responsible for the other information. The other information comprises the committee members' report and statement of responsibility for consolidated and separate financial statements, Chairman's report and Chief Executive Officer's report (but does not include the consolidated and separate financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING

RSM Hayes Audit is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements 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 that we 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 committee members for the consolidated and separate financial statements**

The committee members are responsible, on behalf of National Road Carriers Incorporated and the group, for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the committee members determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the committee members are responsible, on behalf of the association and group, for assessing the association's and group'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 those charged with governance either intend to liquidate the association and group or to cease operations, or have no realistic alternative but to do so.

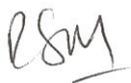
## **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements 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 ISAs (NZ) 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 decisions of users taken on the basis of this consolidated and separate financial statements. A further description of the auditor's responsibilities for the audit of the consolidated and separate financial statements is located at the XRB's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>

## **Who we report to**

This report is made solely to the association members, as a body. Our audit has been undertaken so that we might state to the association members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association members as a body, for our work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'RSM', is located above the printed name of the audit firm.

**RSM Hayes Audit**  
Auckland

17 June 2019

**NATIONAL ROAD CARRIERS INCORPORATED**

**Consolidated and Separate Statement of Comprehensive Revenue and Expense  
For the year ended 31 March 2019**

	Notes	Group		Parent	
		2019	2018	2019	2018
		\$	\$	\$	\$
<b>Revenue from exchange transactions</b>					
Administration		8,500	6,000	8,500	6,000
AGM income		12,000	12,000	12,000	12,000
Conference room hire		9,969	8,560	9,969	8,560
Diary income		58,210	67,035	58,210	67,035
Interest and dividends		40,772	37,132	40,760	20,533
Log books		74,008	65,028	74,008	65,028
Newsletter income		11,680	11,490	11,680	11,490
Rebates		704,406	732,666	704,406	732,666
Rent and opex		138,552	112,503	8,894	7,548
Sundry income		12,499	19,061	8,573	5,222
Subscriptions		935,377	787,822	935,377	787,822
		<b>2,005,973</b>	<b>1,859,295</b>	<b>1,872,376</b>	<b>1,723,903</b>
<b>Expenses</b>					
ACC levy		2,177	1,678	-	-
Accountancy fees		10,850	9,839	8,250	7,339
Administration		3,500	3,500	3,500	3,500
Advertising		4,649	12,587	4,649	12,587
AGM expenses		25,680	21,264	25,680	21,264
Auckland Business Forum		-	-	-	-
Audit fees		10,118	10,000	7,088	7,000
Bank fees		3,607	3,387	2,435	2,221
Cleaning		16,280	14,190	16,280	14,190
Computer expenses		40,182	36,707	40,182	36,707
Consultancy and recruitment fees		9,000	12,950	9,000	12,950
Depreciation	9	74,653	65,587	-	-
Diary expenses		63,449	64,021	63,449	64,021
Directors fees		12,000	12,000	-	-
Donations		1,003	-	1,003	-
Fringe benefit tax		24,701	23,458	-	-
General expenses		16,455	11,173	16,455	11,173
Insurance		22,328	18,139	14,537	10,864
Legal - membership services		16,200	16,200	16,200	16,200
Legal costs		86,411	2,493	86,411	2,493
Log book expenses		66,977	56,341	66,977	56,341
Meetings & Seminars		23,812	16,444	23,812	16,444
Media Public relations		41,730	38,400	41,730	38,400
Motor vehicle expenses		28,715	20,801	25,507	18,556
Newsletter expenses		39,095	30,809	39,095	30,809
Others		1,219	1,222	1,219	1,222
Operating expenses	8	-	-	54,889	54,087
Postage		7,684	6,413	7,684	6,413
Power		14,325	14,192	14,325	14,192
Printing and stationery		13,052	10,361	13,052	10,361
Rates		13,253	14,878	-	-
Recruitment Expenses		5,000	-	5,000	18,019
Promotional Products		12,897	8,149	12,897	8,149
Rent-office	8	-	-	98,150	96,400
RFT SWEP		45,125	17,400	45,125	17,400
Rent-equipment	8	-	-	30,000	30,000
Repairs and maintenance		10,707	13,655	2,622	2,505
Road Transport Forum		321,776	322,317	321,776	322,317
Salaries		689,962	572,230	-	-
Secretarial and Administration	8	-	-	678,175	575,076

The above statement should be read in conjunction with the notes to the consolidated and separate financial statements.

**NATIONAL ROAD CARRIERS INCORPORATED**

**Consolidated and Separate Statement of Comprehensive Revenue and Expense  
For the year ended 31 March 2019**

	Notes	Group		Parent	
		2019	2018	2019	2018
		\$	\$	\$	\$
<b>Expenses (cont'd)</b>					
Security		712	230	712	230
Service contracts		5,153	3,650	5,153	3,650
Special Projects		-	23,432	-	23,432
Staff expenses		8,976	28,785	8,976	10,766
Sundry expenses		7,248	9,562	7,248	9,563
Telephone		20,902	18,034	20,902	18,034
Trade subscriptions		4,517	4,447	4,517	4,447
Travel expenses		28,917	21,967	28,917	21,967
		<u>1,854,998</u>	<u>1,592,892</u>	<u>1,873,380</u>	<u>1,631,287</u>
<b>Surplus/(deficit) before net finance costs</b>		<b>150,975</b>	<b>266,403</b>	<b>(1,004)</b>	<b>92,616</b>
Finance income		-	-	-	-
Finance costs		-	-	-	-
Net finance costs		-	-	-	-
		<u>150,975</u>	<u>266,403</u>	<u>(1,004)</u>	<u>92,616</u>
<b>Surplus / (Deficit) before income tax</b>		<b>150,975</b>	<b>266,403</b>	<b>(1,004)</b>	<b>92,616</b>
Income tax	18	78,573	111,194	28,273	56,258
<b>Net Surplus/(deficit) for the year after tax</b>		<b>72,402</b>	<b>155,209</b>	<b>(29,277)</b>	<b>36,357</b>

The above statement should be read in conjunction with the notes to the consolidated and separate financial statements.

**NATIONAL ROAD CARRIERS INCORPORATED**

**Consolidated and Separate Statement of Changes in Net Assets/Equity  
For the year ended 31 March 2019**

	Note	Accuulated comprehensive Retained Earnings	Total
<b>Parent</b>			
Opening equity 1 April 2017		2,206,481	2,206,481
Net surplus for the year		36,357	36,357
Other comprehensive retained earnings		-	-
Total comprehensive retained earnings		36,357	36,357
Closing equity 31 March 2018		2,242,838	2,242,838
Net surplus for the year		(29,277)	(29,277)
Other comprehensive retained earnings		-	-
Total comprehensive retained earnings		(29,277)	(29,277)
Closing equity 31 March 2019		2,213,561	2,213,561
<b>Group</b>			
Opening equity 1 April 2017		2,562,959	2,562,959
Surplus/ (deficit) for the year		155,209	155,209
Other comprehensive retained earnings		-	-
Total comprehensive retained earnings		155,209	155,209
Closing equity 31 March 2018		2,718,168	2,718,168
Surplus/ (deficit) for the year		72,402	72,402
Other comprehensive retained earnings		-	-
Total comprehensive retained earnings		72,402	72,402
Closing equity 31 March 2019		2,790,571	2,790,571

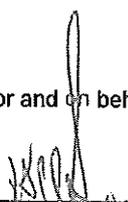
The above statement should be read in conjunction with the notes to the consolidated and separate financial statements.

**NATIONAL ROAD CARRIERS INCORPORATED**

**Consolidated and Separate Statement of Financial Position  
As at 31 March 2019**

	Notes	Group		Parent	
		2019	2018	2019	2018
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	\$ 20,568	\$ 24,002	\$ 17,774	\$ 22,993
Investments	14	1,100,000	1,100,000	1,100,000	1,100,000
Receivables (from exchange transactions)	7	144,966	148,207	144,963	142,185
Loan to subsidiary	8	-	-	925,306	1,004,306
Inventories	5	4,087	4,221	4,087	4,221
		<u>1,269,621</u>	<u>1,276,430</u>	<u>2,192,130</u>	<u>2,273,705</u>
<b>Non-current assets</b>					
Property, plant and equipment	9	1,673,089	1,647,364	-	-
Investment in subsidiaries	11	-	-	83,208	83,208
Deferred tax assets	18	2,584	1,309	-	-
		<u>1,675,673</u>	<u>1,648,673</u>	<u>83,208</u>	<u>83,208</u>
<b>TOTAL ASSETS</b>		<u>2,945,294</u>	<u>2,925,103</u>	<u>2,275,338</u>	<u>2,356,913</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Employee benefit liabilities	13	40,531	31,302	-	-
Payables (from exchange transactions)	12	114,191	175,632	61,778	114,076
		<u>154,722</u>	<u>206,934</u>	<u>61,778</u>	<u>114,076</u>
<b>TOTAL LIABILITIES</b>		<u>154,722</u>	<u>206,934</u>	<u>61,778</u>	<u>114,076</u>
<b>TOTAL NET ASSETS</b>		<u>2,790,571</u>	<u>2,718,168</u>	<u>2,213,561</u>	<u>2,242,838</u>
<b>EQUITY</b>					
Accumulated Comprehensive Retained Earnings		<u>2,790,571</u>	<u>2,718,168</u>	<u>2,213,561</u>	<u>2,242,838</u>
<b>TOTAL EQUITY</b>		<u>2,790,571</u>	<u>2,718,168</u>	<u>2,213,561</u>	<u>2,242,838</u>

For and on behalf of the Board:

  
Chairman

17-6-19  
Date

  
Vice Chairman

17-6-19  
Date

The above statement should be read in conjunction with the notes to the consolidated and separate financial statements.

**NATIONAL ROAD CARRIERS INCORPORATED**

**Consolidated and Separate Statement of Cash Flows  
For the year ended 31 March 2019**

	Notes	Group		Parent	
		2019 \$	2018 \$	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Receipts from exchange transactions</b>					
Receipts from customers		1,968,441	1,753,124	1,828,838	1,649,306
Interest received		40,772	37,132	40,760	20,533
Interest expense			(3)	-	(3)
Payments to suppliers and employees		(1,793,904)	(1,477,471)	(1,901,606)	(1,574,753)
Income tax paid	18	(115,159)	(93,769)	(52,211)	(50,212)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>100,150</b>	<b>219,012</b>	<b>(84,219)</b>	<b>44,871</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Increase in investment in term deposits		-	(215,608)	-	(1,115,608)
Increase in loan to subsidiary		-	-	-	-
Decrease in loan to subsidiary		-	-	79,000	1,054,474
Purchase of property, plant and equipment	9	(103,584)	(58,116)	-	-
Proceeds from sales of property, plant and equipment		-	26,957	-	-
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(103,584)</b>	<b>(246,767)</b>	<b>79,000</b>	<b>(61,135)</b>
Net increase/(decrease) in cash and cash equivalents		(3,434)	(27,755)	(5,219)	(16,264)
Cash and cash equivalents at 1 April		24,002	51,757	22,993	39,257
<b>Cash and cash equivalents at 31 March</b>	6	<b>20,568</b>	<b>24,002</b>	<b>17,774</b>	<b>22,993</b>

These consolidated and separate financial statements should be read in conjunction with the notes to the consolidated and separate financial statements.

## **NATIONAL ROAD CARRIERS INCORPORATED**

### **Notes to the Consolidated and Separate Financial Statements For the year ended 31 March 2019**

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#### **1. REPORTING ENTITY**

The National Road Carriers Incorporated (the "Association") is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013.

These consolidated and separate financial statements for the year ended 31 March 2019 comprise the controlling entity and its controlled entities (together referred to as the "Group"). The financial statements and the accompanying notes summarise the financial results of activities carried out by the Group.

These financial statements were authorised on the date stated in the Consolidated and Separate Statement of Financial Position.

#### **2. BASIS OF PREPARATION**

##### *a) Statement of compliance*

These consolidated and separate financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 PBE entity.

The Association is a registered Incorporated Society and is a public benefit entity for the purpose of financial reporting. As the primary objective of the Association is to provide goods or services for social benefit rather than for making a financial return, the Association is a public benefit entity and the financial statements comply with Public Benefit Entity Standards Reduced Disclosure Regime. For the purposes of complying with NZ GAAP, the Association is a public benefit not-for-profit entity and is elected to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large. All reduced disclosure regime exemptions have been adopted.

##### *b) Measurement basis*

The financial statements have been prepared on the historical cost basis.

##### *c) Functional and presentation currency*

The financial statements are presented in New Zealand Dollars (\$), which is the functional and presentation currency, rounded to the nearest dollar.

There has been no change in the functional currency of the Group during the year.

##### *d) Changes in accounting policy*

There has been no change in the accounting policies during the year.

#### **3. SIGNIFICANT JUDGMENTS AND ESTIMATES**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### *a) Judgements:*

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated and separate financial statements:

- Classification of non-financial assets as cash generating or non-cash generating assets for the purposes of assessing impairment indicators and impairment testing.

The majority of property, plant and equipment held by the Group is classified as non-cash generating assets.

## **NATIONAL ROAD CARRIERS INCORPORATED**

**Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 March 2019**

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### **3. SIGNIFICANT JUDGMENTS AND ESTIMATES (CONTD)**

#### *b) Assumptions and estimation uncertainties*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### *Useful lives and residual values*

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of management employed by the Group
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

#### *Changes in accounting estimates*

There have been no changes in the accounting estimates for the current reporting period.

### **4. SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Basis of consolidation**

##### **i. Controlled entities**

Controlled entities are all those entities over which the Association (the controlling entity) has the power to govern the financial and operating policies so as to obtain benefits from their activities. Controlled entities are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is lost. Assets, liabilities, income and expenses of a controlled entity acquired or disposed of during the year are included in the financial statements from the date the Group gains control until the date the Group ceases to control the controlled entity.

Losses are attributed to the non-controlling interest only to the extent that these losses do not exceed the carrying amount of non-controlling interest in net assets/equity. Any excess, and any further losses applicable to the non-controlling interest, are allocated against the majority interest, except to the extent that the minority interest has a binding obligation and the ability to cover the losses. If the relevant controlled entity subsequently reports surpluses, such surpluses are allocated to the majority interest until the minority's share of losses that were previously absorbed by the majority has been recovered.

The financial statements of the controlled entities are prepared for the same reporting period as the Association, using consistent accounting policies.

##### **ii. Transactions eliminated on consolidation**

In preparing the consolidated financial statements, all intercompany balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends have been eliminated in full.

#### **b) Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

##### **i) Revenue from exchange transactions**

#### **Rebates**

Income from rebates is recognised on accrual basis when the Group's right to receive payment is established and the amount can be reliably measured.

#### **Subscriptions**

Revenue is recognised over the period of the subscriptions (12 months) commencing from date of receipt as there are no contracts in place with the members, thus it is not assumed that the members will continue their membership until this is confirmed through receipt of their membership fees.

#### **Interest revenue**

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

## NATIONAL ROAD CARRIERS INCORPORATED

Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 March 2019

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### b) Revenue (cont'd)

##### i) Revenue from exchange transactions (cont'd)

###### Interest revenue (cont'd)

Interest income is included as finance income in the statement of comprehensive revenue and expense.

###### Dividends

Income from dividends is recognised when the Group's right to receive payment is established, and the amount can be reliably measured.

###### Other revenue

All other revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Group, and measured at the fair value of the consideration received.

##### ii) Revenue from non-exchange transactions

The Company did not receive any non-exchange revenue during the current financial period.

#### c) Employee benefits

##### i) Short term employee benefits

Short-term employee benefit liabilities are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided within 12 months of reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

#### d) Finance income and finance costs

Finance income comprises interest income on financial assets. Interest income is recognised as it accrues using the effective interest method in the statement of comprehensive revenue and expense.

Finance costs comprise interest expense on financial liabilities.

#### e) Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Group also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies financial assets as loans and receivables.

The Group classifies financial liabilities as at amortised cost.

Financial Instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

## NATIONAL ROAD CARRIERS INCORPORATED

Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 March 2019

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### e) Financial instruments (cont'd)

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

##### i) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and receivables.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of 3 months or less.

##### ii) Amortised cost financial liabilities

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified at amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as amortised cost comprise payables.

#### f) Impairment of non-derivative financial assets

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a counterparty or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

In addition, for an equity security classified as an available-for-sale financial asset, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

##### i) Financial assets classified as loans and receivables

The Group considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised.

## **NATIONAL ROAD CARRIERS INCORPORATED**

**Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 March 2019**

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### **4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

#### **f) Impairment of non-derivative financial assets (cont'd)**

##### **i) Financial assets classified as loans and receivables (cont'd)**

When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of comprehensive revenue and expense.

#### **g) Property, plant and equipment**

##### **i) Recognition and measurement**

Items of property, plant and equipment are initially measured at cost.

Items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised as surplus or deficit in the Statement of Comprehensive Revenue and Expense.

##### **ii) Subsequent expenditure**

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

##### **iii) Depreciation**

For property, plant and equipment, depreciation is based on the cost of an asset less its residual value and for buildings is based on the revalued amount less its residual value.

Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives are:

Buildings	2% - 3% straight line
Furniture and fittings	9.5% - 50% diminishing value
Motor vehicles	31% - 31.2% diminishing value
Office equipment	11.4% - 60% diminishing value

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

#### **h) Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows (for cash-generating assets) or future remaining service potential (for non-cash-generating assets) are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in statement of comprehensive revenue and expense. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **i) Leases**

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Company. Operating lease payments are recognised as an operating expense in the Statement of Comprehensive Revenue and Expense on a straight-line basis over the lease term.

## NATIONAL ROAD CARRIERS INCORPORATED

Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 March 2019

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### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost within surplus or deficit.

#### k) Equity

Equity is the difference between total assets and total liabilities. Equity is made up of the following components:

##### *Accumulated comprehensive revenue and expense*

Accumulated comprehensive revenue and expense is the Group's accumulated surplus or deficit since the formation of the Group adjusted for transfers to/from specific reserves.

#### l) Income Tax

The Group is exempt from income tax to the extent that the income is generated through member income and member activities where a service or good is not provided. Subscription income is not subject to income tax.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting surplus or deficit nor taxable surplus or deficit.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting surplus or deficit nor taxable surplus or deficit.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable surplus will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside surplus or deficit is recognised outside surplus or deficit. Deferred tax items are recognised in correlation to the underlying transaction in other comprehensive revenue and expense.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

#### m) Goods and services tax

All amounts are shown exclusive of goods and services tax (GST), except for receivables and payables that are stated inclusive of GST.

**NATIONAL ROAD CARRIERS INCORPORATED**

**Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 March 2019**

	Group		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
<b>5. INVENTORY</b>				
Books	4,087	4,221	4,087	4,221
	<u>4,087</u>	<u>4,221</u>	<u>4,087</u>	<u>4,221</u>

**6. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include the following components:

BNZ Current Account	14,088	20,957	4,793	19,502
BNZ Deposit Account	-	-	6,482	446
BNZ Subscription Account	6,500	3,045	6,500	3,045
	<u>20,588</u>	<u>24,002</u>	<u>17,774</u>	<u>22,993</u>

There are no restrictions over cash and cash equivalents held by the Group.

**7. RECEIVABLES**

**Receivables from exchange transactions**

Trade debtors	135,733	125,100	45,131	55,198
Other receivable	9,234	23,107	99,832	86,987
	<u>144,966</u>	<u>148,207</u>	<u>144,963</u>	<u>142,185</u>

There are no amounts overdue nor impaired as at year end relating to trade receivables from exchange transactions (2018: \$Nil).

**Receivables from non-exchange transactions**

There are no receivables from non-exchange transactions for the year (2018: Nil)

**8. RELATED PARTY TRANSACTIONS AND BALANCES**

**i) Loan to subsidiary**

National Road Carriers Incorporated has loaned \$925,306 (2018: \$1,004,306) interest free to Owner Carriers Auckland Limited to enable the purchase, refurbishment and upgrading of the Association's premises at 326 Church Street, Onehunga, and the purchase of a motor vehicle, computer and other equipment. This loan is unsecured, interest free and no fixed repayment terms.

**ii) Related party transactions**

The Association pays to Owner Carriers Auckland Limited rent, operating expenses and administration fees of:

	<u>2019</u>	<u>2018</u>
Office rent	\$98,150	\$96,400
Equipment rent	\$30,000	\$30,000
Operating expenses	\$54,689	\$54,087
Administration	\$678,175	\$575,076

The Group pays logbook expenses of \$66,977(2018: \$57,997 ) to Transport House Limited. Three directors for both the Parent and Owner Carrier Auckland Limited are also directors of Transport House Limited, which is 100% owned by Road Transport Forum New Zealand Incorporated.

**NATIONAL ROAD CARRIERS INCORPORATED**

Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 March 2019

**9. PROPERTY, PLANT AND EQUIPMENT**

Group

	31-Mar-19			31-Mar-18		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation and impairment	Carrying value
Land and buildings	\$1,700,000	\$207,771	\$1,492,229	1,700,000	180,107	\$1,519,893
Motor vehicles	\$207,674	\$103,883	\$103,791	165,668	99,865	\$65,803
Furniture and fittings	\$172,608	\$102,212	\$70,396	147,933	93,541	\$54,392
Office equipment	\$185,208	\$179,535	\$6,673	185,109	177,832	\$7,277
	<u>\$2,265,490</u>	<u>\$593,401</u>	<u>\$1,673,089</u>	<u>\$2,198,709</u>	<u>\$551,345</u>	<u>\$1,647,364</u>

Reconciliation of property, plant and equipment - March 2019

Group

	Opening balance	Revaluation / (Impairment)	Additions at cost	Disposals at carrying value	Depreciation	Closing balance
Land and buildings	\$1,519,893	-	-	-	\$27,663	\$1,492,229
Motor vehicles	\$65,803	-	\$77,809	\$3,205	\$36,616	\$103,791
Furniture and fittings	\$54,392	-	\$24,676	-	\$8,671	\$70,396
Office equipment	\$7,277	-	1,100	-	\$1,703	\$6,673
	<u>\$1,647,365</u>	<u>-</u>	<u>\$103,584</u>	<u>3,205</u>	<u>\$74,653</u>	<u>\$1,673,089</u>

Net book value		Parent	Group
As at 31 March 2019		-	\$1,673,089
As at 31 March 2018		-	\$1,647,364

There was no impairment loss recognised in the current financial year.

**10. FINANCIAL INSTRUMENTS**

The table below shows the carrying amounts of the Group's financial assets and financial liabilities.

**1. Classification and fair values of financial instruments**

Group

	2019		2018	
	Loans and receivables	Financial liabilities at amortised cost	Loans and receivables	Financial liabilities at amortised cost
Cash and cash equivalents	\$20,568	-	\$24,002	-
Investments	\$1,100,000	-	\$1,100,000	-
Receivables from exchange transactions	\$144,966	-	\$148,207	-
Payables (from exchange transactions) excluding GST and Tax	-	\$96,947	-	\$117,669
	<u>\$1,265,535</u>	<u>\$96,947</u>	<u>\$1,272,209</u>	<u>\$117,669</u>

Parent

	2019		2018	
	Loans and receivables	Financial liabilities at amortised cost	Loans and receivables	Financial liabilities at amortised cost
Cash and cash equivalents	\$17,774	-	\$22,993	-
Receivables from exchange transactions	\$144,963	-	\$142,185	-
Investments	\$1,100,000	-	\$1,100,000	-
Loan to subsidiary	\$925,306	-	\$1,004,306	-
Payables (from exchange transactions) excluding GST and Tax	-	\$64,075	-	\$89,635
	<u>\$2,188,044</u>	<u>\$64,075</u>	<u>\$2,269,484</u>	<u>\$89,635</u>

## NATIONAL ROAD CARRIERS INCORPORATED

### Notes to the Consolidated and Separate Financial Statements For the year ended 31 March 2019

#### 11. INVESTMENT IN SUBSIDIARIES

The consolidated financial statements of the Group include the following subsidiaries of the Parent:

Name of subsidiary	Principal activities	Country of Incorporation	Percentage interest	Carrying value	
				2019	2018
				\$	\$
Owner Carriers Auckland Limited	Administration services	New Zealand	100%	83,208	83,208
Auckland Truck Pool Limited	Dormant	New Zealand	51%	-	-
				<u>83,208</u>	<u>83,208</u>

The reporting date of the Parent and the subsidiaries is 31 March. Both parent and subsidiary have similar accounting policies.

There are no significant restrictions on the ability of the subsidiaries to transfer funds to the parent in the form of cash distributions or to pay loans or advances.

#### 12. PAYABLES - EXCHANGE TRANSACTIONS

	Group		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
Accounts payable	96,947	117,669	64,075	89,635
GST Payable	9,666	15,073	6,392	9,192
Income tax payable / (receivable)	7,578	42,890	(8,689)	15,248
	<u>114,191</u>	<u>175,632</u>	<u>61,778</u>	<u>114,076</u>

#### 13. EMPLOYEE BENEFIT LIABILITY

Holiday pay accrual	40,531	31,302	-	-
	<u>40,531</u>	<u>31,302</u>	<u>-</u>	<u>-</u>

#### 14. INVESTMENTS

Current	Interest rate	2019	2018
BNZ Term deposit	3.60%	\$100,000	\$50,000
BNZ Term deposit	3.64%	\$100,000	\$100,000
BNZ Term deposit	3.45%	\$100,000	\$50,000
BNZ Term deposit	3.60%	\$500,000	\$500,000
BNZ Term deposit	3.35%	\$50,000	\$50,000
BNZ Term deposit	3.30%	\$150,000	\$250,000
BNZ Term deposit	3.60%	\$100,000	\$100,000
		<u>1,100,000</u>	<u>1,100,000</u>

#### 15. CAPITAL COMMITMENTS

There are no lease commitments for cars as at 31 March 2019 (2018: \$Nil)

#### 16. CONTINGENT ASSETS AND LIABILITIES

The National Road Carriers Incorporated has been cooperating with an ongoing regulatory investigation during 2018/19. At this point, it is unlikely that a claim will be made against The National Road Carriers Incorporated. However, further legal costs may be incurred on this matter but the quantum of those costs cannot be quantified at this stage.

There are no contingent assets at the reporting date. (2018: \$Nil).

**NATIONAL ROAD CARRIERS INCORPORATED**

**Notes to the Consolidated and Separate Financial Statements  
For the year ended 31 March 2019**

**17. EVENTS AFTER THE REPORTING DATE**

The directors are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Group (2018: \$Nil).

**18. INCOME TAX**

	Group		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
<b>Reconciliation of tax expense and the accounting profit multiplied by the domestic tax rate</b>				
Accounting profit / (loss) before income tax	150,975	266,403	(1,004)	92,616
Taxation at 28%	42,273	74,593	(281)	25,932
Activities not subject to tax	28,554	29,984	28,554	29,984
Permanent differences	7,746	6,618	-	-
Timing differences not recognised	-	-	-	342
<b>Income tax as per statement of comprehensive revenue and expense</b>	<b>78,573</b>	<b>111,194</b>	<b>28,273</b>	<b>56,258</b>
<b>The income tax expense is represented by:</b>				
Current tax	79,848	110,665	28,273	56,258
Deferred tax	(1,275)	529	-	-
	<b>78,573</b>	<b>111,194</b>	<b>28,273</b>	<b>56,258</b>

**Recognised current and deferred tax balances**

**Group**

	2019		2018	
	Current tax	Deferred tax	Current tax	Deferred tax
Opening balance	42,890	1,309	25,656	1838
Charged to profit or loss	79,848	1,275	110,665	(529)
Income tax paid / transferred	(115,159)	-	(93,769)	-
Prior year adjustment	-	-	338	-
<b>Closing balance</b>	<b>7,578</b>	<b>2,584</b>	<b>42,890</b>	<b>1,309</b>

**Parent**

	2019		2018	
	Current tax	Deferred tax	Current tax	Deferred tax
Opening balance	15,248	-	9,202	-
Charged to profit or loss	28,273	-	56,258	-
Income tax paid / transferred	(52,211)	-	(50,212)	-
Prior year adjustment	-	-	-	-
<b>Closing balance</b>	<b>(8,690)</b>	<b>-</b>	<b>15,248</b>	<b>-</b>

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

# NATIONAL ROAD CARRIERS (INC) ASSOCIATION BOARD



## DON WILSON, CHAIRMAN

Don is currently the Chairman of NRC. Don joined the NRC Board in 2014 after being a member of RTA Region 1 and NRC for 22 years. He has been in the transport industry first as a driver then moving into management and then business owner for the past 36 years predominantly in the rural sector. His business OnRoad Transport currently operates 1 Bulk Unit and 6 dedicated livestock units based in South Auckland and 5 Owner Drivers in the Northland Region. Don enjoys any spare time fishing or relaxing with family and friends.



## LEIF BLAIR

Leif is the immediate past Chairman of NRC and since 1993 has been a member of NRC; he was elected onto the Board in 2009. Leif Blair Transport is primarily a linehaul operation working throughout New Zealand. Leif started in the industry as a driver straight out of school late in the 80s; where he started doing interisland linehaul as an 18 year old and became an owner driver in 1990. He has grown his business from one truck to currently running around 30 linehaul trucks nationwide. He is very passionate about the industry, and having been through the school of 'hard knocks' is keen to pass on his experience to fellow members.



## JOHN BAILLIE, OWNER-DRIVER REP

John has taken on the Owner Driver Representative roll on the NRC Board. John started in the industry 33 years ago as a waged driver with a general carrier, then with deregulation moved into linehaul work. He became an owner driver in 2006 and is a contractor with Foodstuffs N.I. in their controlled temperature division based in Auckland. John is enjoying serving on the NRC Board.



## ROBERT PASCOE

Over the past 32 years Robert has served on the Boards of both NRC and Owner Carriers Ltd and he is a past president of both NRC and OCANZ. Robert is a keen motor sport follower often spanning for his son Jake's karting, and these days Robert is often found in Kinlock either boating or fishing. Robert started in business 34 years ago after driving for wages for several years. RPC Logistics now employs 27 people with a current fleet of 11 trucks. Third party logistics and managed warehousing now equates to approximately 50% of his business.



## CALVEN BONNEY, RTF DIRECTOR

Calven Bonney has been a member of the Association for over 44 years. He is a past president of the Association as well as a past Chairman of the Road Transport Forum. Calven remains a Director on the RTF Board. He was recognised by the Association in 2006 with Life Membership. In 2008 Calven was also recognised by his peers with life Membership to the Road Transport Forum. In 2018 Calven was made a Member of New Zealand Order of Merit (MNZM) in the New Year's Honours list.



## MARK SOUBER

Mark has been involved in the Road Transport Industry for over 36 years, and for the past 14 years has managed fuel distribution. Mark works for McFall Fuel Ltd as General Manager of Operations for the Lower North Island. Taranaki has a strong interest in road transport affairs and is also home base for Mark. Classic American cars and clubs are Mark's hobbies.



## STEVE DOUGHTY, RTF DIRECTOR

Steve Doughty is a past Chairman of NRC and has served on the Executive committee during the last 24 years. He is a past Chairman of the RTFNZ and remains a Director of the RTFNZ. Steve is the Owner of R J Doughty Ltd operating in the bulk aggregates sector.



## BLAKE NOBLE

Blake is the newest member of the NRC board, having been voted on at the 2018 AGM. Blake is owner of Transcon Warkworth, a general and container freight operator servicing the North Auckland region; an involvement that has allowed him to quickly experience and understand first-hand some of the key challenges facing operators nationwide. He has a keen interest in the critical part that the road transport industry plays in helping the economy function, and is excited about the opportunity to help continue to drive the excellent work of the NRC.



## GREG PERT, RTF DIRECTOR

Greg has been a member of the Association for 28 years, and a member of your Board for over 22 years. He began his career in the transport industry over 39 years ago, working / contracting originally for Freightways as an owner driver. Greg has owned Tranzliquid Logistics Ltd for 20 years and contracts with major Fuel / Bitumen suppliers. Tranzliquid provides Logistics / Transportation Services to industry carriers throughout New Zealand. Greg enjoys socialising with friends and family and is currently living in Tauranga.



## PAUL CHAPPEL, OCANZ CHAIRMAN

Paul is a past president of the Association. He has been a member of National Road Carriers (Inc) for 21 years and served on the Executive Committee for 13 years. Paul stepped down from the NRC Board in 2017 and continues in his role of OCANZ Chairman. He is the Owner and Managing Director of Pyramid Trucking.

Executive Meetings Attendance Data 2018-2019	Meetings Attended	Meetings Apologies Sent	Meetings Absent
Don Wilson	6	1	0
John Baillie	6	1	0
Calven Bonney	4	3	0
Steve Doughty	6	1	0
Greg Pert	5	2	0
Leif Blair	6	1	0
Robert Pascoe	4	3	0
Blake Noble	5	2	0
Mark Souber	6	1	0

# EXTRACT FROM NATIONAL ROAD CARRIERS (INC) CONSTITUTION & RULES

## **RULE 4 - MEMBERSHIP:**

- 4.1 Membership of the Association shall consist of:
- (a) Full members, being individual persons trading alone, firms/partnerships or companies who in the opinion of the Board are substantially engaged in the business of arranging and transporting goods by road transport for reward.
  - (b) Associate members, being persons or corporate bodies who in the opinion of the Board have an interest in road transportation as an adjunct to their trade, business or commercial activities, or who have an occupational interest in the development of the road transport industry.
  - (c) Affiliated members, being persons or companies who in the opinion of the Board have an interest with the road transport industry but no direct participation in it, and who could through their interest participate in and/or benefit from, the commercial partnerships that the Association enters into from time to time.
  - (d) Life members being persons who in respect of their services to the road transport industry are, on the recommendation of the Board, elected as Life members at an Annual General Meeting of the Association.

## **RULE 10 - GENERAL MEETINGS:**

- 10.1 The principal general meeting of the Association will be the Annual General Meeting, and all other general meetings will be called Special General Meetings.
- 10.2 The Annual General Meeting of the Association shall be held in every year within three months of the close of the Association's financial year.
- 10.3 Fourteen (14) clear days' prior written notice specifying the place, day and hour of the Annual General Meeting and the business to be transacted at it, shall be given to all members by notice, placed in the Public Notices column of the New Zealand Herald, posted on the Association's website, and included in the Association's newsletter sent to all members of their last known address.
- 10.4 Twenty Five (25) Full or Life members present at any General Meeting of the Association shall constitute a quorum.
- 10.5 If within half an hour of the time appointed for any General Meeting a quorum is not present, the meeting shall stand adjourned until the same hour of the same day not later than fourteen (14) days thereafter. If at such adjourned meeting a quorum still not be present, those Full and Life members who are present shall be deemed to be a quorum and may transact the business for which the meeting was called.
- 10.6 The Chairman may, with the consent of the meeting, adjourn any General Meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 10.7 The business of the Annual General Meeting shall be to receive and consider the annual statement of accounts and auditor's report thereon, the report of the Board and any matters incidental thereto, the name or names of the person or persons (if any) recommended by the Board for Life membership, and to transact any other business which shall have been specified by the Board, or any member who has given notice of any agenda item at least seven (7) days prior to the meeting.
- 10.8 A Special General Meeting can be convened at any time by the ordinary resolution of the Board. If so, the Chief Executive Officer will forthwith convene that Special General Meeting by giving at least fourteen (14) days prior written notice to all members at their respective last known physical and/or email

addresses, specifying the place, day and hour of the meeting, and the particular business to be considered at it.

- 10.9 Any fifteen or more Full or Life members may by requisition in writing to the Chief Executive Officer, require the Board to convene a Special General Meeting of the Association. Such requisition shall clearly specify the business to be considered at the meeting and the resolution to be put at it. Upon receipt of the requisition, the Chief Executive Officer shall convene the Special General Meeting by giving all Full and Life members notice of the meeting at their respective last known physical and/or email addresses. If the Chief Executive Officer fails to convene the Special General Meeting within fourteen (14) days of the receipt of the requisition, the requisitionists or a majority of them may themselves convene the Special General Meeting by giving at least fourteen (14) days written notice as above, to all members specifying the place, day and hour of the meeting and the particular business and resolution to be considered at it.
- 10.10 At a Special General Meeting, no business or resolutions other than those particularly specified in the notice calling the meeting, shall be considered.

## **RULE 11 - VOTING AT GENERAL MEETING:**

- 11.1 A company or firm/partnership which is a Full member shall be entitled to nominate only one of its directors or partners to attend General Meetings and exercise the vote for and on behalf of that company or firm/partnership. Such nominations shall be made in writing and lodged with the Chief Executive Officer at least twenty four (24) hours before the commencement of the General Meeting.
- 11.2 Any Full member may appoint any person to be his/its proxy to attend and vote at a General Meeting on his/its behalf. Such proxy must be lodged with the Chief Executive Officer at least twenty four (24) hours before the General Meeting at which such vote is to be exercised.
- 11.3 Notwithstanding Rule 11.1, all directors of a Full member company, and all partners of a Full member firm/partnership shall be entitled to attend a General Meeting, but only the one authorised nominated person shall be entitled to exercise that Full members' vote.
- 11.4 Every resolution submitted to a General Meeting shall be decided on by voices, or a show of hands, unless a poll is demanded by any Full or Life member.
- 11.5 If a poll is demanded, the Chairman shall appoint scrutineers from the floor, and distribute voting papers to all Full and Life members eligible to vote.
- 11.6 The scrutineers shall report the outcome of the poll to the Chairman who shall declare whether the resolution has been carried or not. In the case of an equality of votes in the poll, the Chairman shall have the right to a casting vote.
- 11.7 A declaration by the Chairman of the meeting that a resolution has been carried or not carried, or carried by a particular majority, or not carried by a particular majority, and an entry to that effect in the book of the proceedings of the Association shall be conclusive proof of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.
- 11.8 For the purposes of any poll, every Full and Life member present in person or by proxy or authorised representative shall be entitled to one deliberative vote plus an additional vote for every ten vehicle equivalents, but with a maximum of five votes in total.
- 11.9 Every Life member shall be entitled to the same voting rights as a Full member.





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@nrcassociation



@nationalroadcarriersinc

