



GENERAL MOTORS-HOLDEN'S LIMITED
ANNUAL REPORT 1984

Directors

Charles S. Chapman Managing Director
John F. Bremner
James M. Butler
Ivan A. Deveson
Edwin A. Ellison
Elwood E. Leathley
John S. Loveridge
Keith G. Moss
Joseph E. Whitesell

Bankers

Commonwealth Bank of Australia
Westpac Banking Corporation
National Australia Bank Ltd
Banque Nationale de Paris
A N Z Banking Group Ltd

Solicitors

Mallesons, 121 William Street, Melbourne, 3000

Auditors

Deloitte Haskins & Sells
461 Bourke Street, Melbourne, 3000

Secretary

E. W. Spencer

Registered Office

241 Salmon Street, Port Melbourne, 3207

GMH throughout Australia

Victoria

Fishermen's Bend

- Head Office
- Technical Centre incl Engineering Department and Design Studios
- Foundries
- Manufacturing Plants for Engines
- Manual Transmissions
- Wiring Looms
- Electrical Parts
- Management and Technical Education Centre
- Sales Department
- Dealership Service
- Components Division

Dandenong

- Assembly Commodore
- Assembly Camira
- Assembly Isuzu Trucks
- Computer Centre
- Head Office Parts and Accessories Operation
- Head Office Detroit Diesel Allison International
- Parts Manufacturing
- Zone Sales Office

Lang Lang

- Automotive Proving Ground for Passenger Vehicles and Trucks
- Safety Test Centre
- Emissions Test Facility

South Australia

Elizabeth

- Assembly Holden Range, Commodore and Statesman
- Body Tool Design
- Production of Metal Stampings
- Body Hardware Manufacture
- Trim Fabrication
- Plastics Production
- Zone Sales Office

Woodville

- Automatic Transmission Manufacture
- Body Tool Manufacture
- Stampings
- Die-Casting

New South Wales

Edgecliff

- Zone Sales Office

Queensland

Acacia Ridge

- Zone Sales Office

Western Australia

West Perth

- Zone Sales Office

1984 — Review of Operations



C.S. CHAPMAN,
Managing Director

1984 represented a dramatic turnaround for GM-H. Compared with 1983, the market improved significantly; however, GM-H's results exceeded the level expected from the market growth alone. While the net loss for 1984 totalled \$50.5 million, this compares with a 1983 loss of \$124.9 million, representing a turnaround of \$74.4 million. Further, during 1984 GM-H achieved the trading profit objective that had been established as part of our overall recovery program. The improved financial results reflect the combined impact of a significant lift in sales volume, particularly the Commodore model, improvement in operating efficiencies, as well as a significant reduction in fixed costs and overheads.

The recovery program process introduced substantial costs to GM-H during the implementation period. However, in 1984, we started to see real financial benefit beginning to flow from our recovery program. These benefits will continue to gather strength during 1985.

Total wholesale vehicle sales, including exports, for the Company of 131,788 units were almost 16 per cent above the level in 1983 at 114,103 units. The sales revenue totalled \$1,491 million in 1984. This compares with \$1,202 million in 1983 and represents the highest level in the Company's history.

Passenger Vehicles

Against the background of improved economic and market conditions, total domestic sales of passenger vehicles increased by 10,471 units or almost 12 per cent during 1984.

In March, the VK Commodore was introduced into the market place with bold new styling and many design improvements, particularly in the 6 cylinder engine area. By the end of the year, Commodore sales had lifted by 56 per cent, with gains made in all private, business and government markets.

The introduction of the Astra Hatchback series in August was another major step taken by the Company in aligning its operations with future needs and government policy for the industry.

Camira, Gemini and Statesman car lines also remained significant contributors to the overall sales performance during 1984.

In its first full year of operation, Holden National Leasing Ltd. quickly established itself as a major supplier of fleet lease vehicles.

Commercial Vehicles

Industry retail sales of light commercial vehicles increased 16 per cent during 1984, with Rodeo and Shuttle lines gaining 36 per cent and 20 per cent respectively. Jackaroo maintained a steady volume in the face of many new model introductions

Isuzu truck sales maintained their steady retail growth rate and moved ahead of market gains with a 1984 increase of almost 30 per cent, reflecting a ratio improvement from 13.8 per cent in 1983 to 14.8 per cent in 1984.

| Wholesale Units | 1984 | 1983 |
|-------------------|---------|---------|
| Statesman | 4,319 | 2,293 |
| Commodore | 59,787 | 38,415 |
| Camira | 21,250 | 32,537 |
| Astra | 4,883 | — |
| Sunbird | — | 11 |
| Gemini | 10,827 | 17,339 |
| TOTAL PASSENGER | 101,066 | 90,595 |
| Holden | 6,423 | 6,042 |
| Rodeo | 5,386 | 3,426 |
| Jackaroo | 2,261 | 1,990 |
| Shuttle | 1,937 | 1,989 |
| Bedford | 4 | 10 |
| Isuzu | 3,838 | 3,137 |
| Chevrolet | 2 | — |
| TOTAL COMMERCIAL | 19,851 | 16,594 |
| TOTAL DOMESTIC | 120,917 | 107,189 |
| TOTAL EXPORT | 10,871 | 6,914 |
| TOTAL SALES UNITS | 131,788 | 114,103 |

Exports

GM-H continued as Australia's top exporter of manufactured goods with export sales of more than \$205 million in 1984. An increase of 8 per cent on the previous year.

GMH exports in 1984 accounted for about 14 per cent of total sales, made up of exports of vehicles, engines, components and accessories

In 1984, the company exported 143,684 engines from the 4 cylinder engine plant at Fishermen's Bend (Victoria) to markets worldwide.

GMH exports reached a level of almost \$1 million per working day during 1984

Dealers

Our 406 strong dealer body contributed significantly to our progress through 1984. These dealers, who have made a substantial investment to meet the motoring needs of their communities, remain a key factor in our marketing efforts. During 1984 we continued to work in close partnership with them to develop their personnel, facilities and financial resources to assist in providing the highest possible standards of sales and service for our customers.

Dealers

now and in the future. One such development program undertaken has been a dealer initiative fully backed by GM-H to establish a Sales Cadet Training Scheme aimed at improving the professional skills of Dealership Sales Personnel.

Parts and Service

1984 was a most successful year with increased sales of parts and accessories through distributors, to dealers, trade and retail customers

GM-H has a long standing reputation for service parts availability which together with a revised 12 months, 20,000 kilometres warranty will contribute toward customer satisfaction and repeat sales of GM-H passenger and commercial vehicles.

In recognition of the continuing importance of the traditional service support provided through the GM-H dealer network, a number of initiatives have been taken to provide higher levels of customer satisfaction in an environment of rising customer expectations and technically advanced products

These initiatives include improvements in the areas of customer research and assistance, product training, technical communication, dealership management and fleet service support

Product Quality

The Total Quality Control Program (TQC), initiated in 1983, has impacted every aspect of GM-H operations during 1984, with some 900 people being trained in the philosophies and techniques of TQC

The program is aimed at improving the procedures, processes and systems throughout the Company to integrate total quality improvement

World class quality and performance demands individual commitment to excellence. Employee commitment to quality is now strengthened through the Total Quality Control concepts, which form the basis for organisational policies, all directed at achieving customer satisfaction

These programs are also being complemented by Just-In-Time (JIT) or zero inventory production systems, which permit closer monitoring of the product and extend greater quality awareness throughout our supplier chain

Our goal of world class quality and performance is further supported by our commitment to invest in the latest technology in our manufacturing plant, which will ensure our manufacturing processes are the best possible

Government Vehicle Plan

The new Passenger Motor Vehicle arrangements which were announced by the Federal Government in May last year, provide the industry with a firm plan and clear direction for the future.

GM-H supports the Government's objective to encourage local manufacturing industry to become more efficient in the 1990's than it is today.

The Plan provides local manufacturers with the challenge of becoming more competitive against imports and encourages increased production through product sharing.

With its major investments in design, engineering and manufacturing facilities, GM-H is well placed to meet these competitive challenges and to take advantage of the new opportunities available under the export facilitation arrangements and the Motor Vehicles and Components Development Grant Scheme.

GM Components Division

The Components Division is responsible for the sale of all components produced by the company, also supplier components where they are required for export.

This includes sheetmetal pressings and castings for the domestic market, Family II engines for the export market, and Commodore and Camira components for export to Europe, U.K., Asia, and South America.

Representation for the U.S. component divisions is also handled in this division as well as sales of Isuzu diesel engines for automotive, industrial and marine purposes.

Suppliers

Payments to suppliers for raw materials, components, and services increased by 17 per cent in 1984 to \$1,080 million.

This rise reflects an increased sales volume and the effect of outsourcing components which were previously manufactured by GM-H.

GM-H has continued its policy of encouraging its Australian component suppliers to achieve world class competitiveness in technology, quality and performance.

GM-H is actively pursuing long term agreements with suppliers, in order to support the investment required to improve quality and productivity, as demanded by the new Passenger Motor Vehicle Manufacturing Plan.

GM-H People

As part of the Company's QWL activities, a joint GM-H/Unions study tour to the U.S.A. was made to examine various QWL programs operating in the Corporation's plants.

GM-H People

During 1985 this joint Company/Unions approach will intensify with the objective of providing greater opportunities for GM-H employees to have more involvement in decisions relating to their work place.

Further extension to the current ongoing training and retraining programs will place greater emphasis in the areas of programmable and computerized machine operations, with the interface between electronic and hydraulic aspects of technical problem solving receiving special attention.

This year saw the formation of the Industry Training Network in which a number of industry training centres, including GM-H's Management & Technical Education Centre, established close ties with the appropriate Commonwealth and State Government departments. The principle objective of this network is to enhance the level and quality of technical competence of the apprentices in each organization, particularly with pressures of the technological environment of the 1980's.

GM-H has continued to meet the demand for the "host" training of apprentices from the dealer network, suppliers, local business and government bodies.

Negotiations skills and managerial skills acquisition continue to be given priority in employee development activities.

Significant challenges in the field of Occupational Health and Safety were met in 1984. Some 81,000 health services were provided to employees covering a wide spectrum of medical activity, including the management of work related illness and injury, occupational health screening and rehabilitation.

The recent introduction of an improved Industrial Hygiene Service and the system's analysis of occupational illness and injury and related causes will provide us with a more scientific approach in the future management of occupational health and safety.

The Suggestion Program continued to create and stimulate greater opportunities for employee involvement in the affairs of the Company, while tapping a valuable source of potential savings, at the same time rewarding those employees for their valuable contributions. 1984 proved to be an extremely successful year with award payouts to employees totalling \$666,060 for improved safety and production methods.

Investments

During 1984, GM-H continued to invest in advanced technology to improve manufacturing processes and to enhance our international competitiveness. This investment in the latest technology will continue.

Investments

into the future and will result in a financial outlay by the Company of nearly \$300 million over four years.

In late 1984 a new single point tooling body assembly facility was completed at Elizabeth, South Australia, to build the all new 1985 Gemini.

The Fishermen's Bend, 4-cylinder engine plant is currently being retooled to produce an updated "second generation" engine at a cost of \$67 million. Export activities from this plant will expand even further with the new engine.

Outlook 1985

The 1985 outlook indicates another record year for the Australian automobile industry. During the year our product range will be strengthened further with the introduction of new passenger and commercial vehicles including the fully imported Barina and Drover models and an all new Gemini. We will continue to improve the quality of vehicles through our integrated quality program — Quality of Work Life, Total Quality Control and Just in Time.

Worldwide

GM-H is a wholly owned subsidiary of General Motors Corporation (GMC). In a year of continued economic expansion, worldwide retail sales of General Motors vehicles in 1984 totalled approximately 8.3 million units, an increase of 10 per cent from the 1983 total and 26 per cent from 1982.

World wide sales (retail) by all manufacturers totalled approximately 37.7 million vehicles in 1984. General Motors accounted for 22 per cent of this worldwide total, compared with 21 per cent in 1983 and 20 per cent in 1982.

In 1984, GMC earned a record net income of \$US4.5 billion on worldwide sales of \$US83.9 billion.



C.S. CHAPMAN,
Managing Director
April 30th, 1985

Consolidated Balance Sheet — December 31, 1984 and 1983.

General Motors-Holden's Limited and General Motors-Holden's Sales Pty. Limited.

| | | 1984 | 1983 |
|---|--------------|-----------------------|-----------------------|
| <i>ASSETS</i> | <i>NOTES</i> | <i>\$000</i> | <i>\$000</i> |
| <i>CURRENT ASSETS</i> | | | |
| Cash and Marketable Securities | 5 | 1,185 | 20,597 |
| Accounts and Notes Receivable | 6 | 101,964 | 68,001 |
| Inventories | 7 | 310,191 | 279,853 |
| Prepaid Expenses | | <u>2,736</u> | <u>10,314</u> |
| Total Current Assets | | <u>416,076</u> | <u>378,765</u> |
| <i>INVESTMENTS</i> | 8 | <u>7,140</u> | <u>6,664</u> |
| <i>DEFERRED ASSETS</i> | 9 | <u>61,311</u> | <u>70,843</u> |
| <i>REAL ESTATE, PLANT AND EQUIPMENT</i> | 10 | <u>284,586</u> | <u>303,985</u> |
| <i>TOTAL ASSETS</i> | | <u><u>769,113</u></u> | <u><u>760,257</u></u> |
| <i>LIABILITIES AND STOCKHOLDERS' EQUITY</i> | | | |
| <i>CURRENT LIABILITIES</i> | | | |
| Bank and Other Short Term Borrowings | 11 | 73,895 | 40,724 |
| Accounts Payable | 12 | 175,957 | 145,099 |
| Accrued Liabilities and Provisions | 13 | <u>54,289</u> | <u>48,968</u> |
| Total Current liabilities | | <u>304,141</u> | <u>234,791</u> |
| <i>LONG TERM DEBT</i> | 14 | <u>180,402</u> | <u>275,384</u> |
| <i>OTHER LIABILITIES AND DEFERRED CREDITS</i> | 15 | <u>69,465</u> | <u>59,522</u> |
| <i>STOCKHOLDERS' EQUITY</i> | | | |
| Issued and Paid Up Capital | 16 | 290,300 | 290,150 |
| Share Premium Reserve | 16 | 149,700 | 74,850 |
| Capital Surplus — Revaluation | | 2,864 | 2,864 |
| Unappropriated Profits (Accumulated Losses) | | <u>(227,759)</u> | <u>(177,304)</u> |
| Total Stockholders' Equity | | <u>215,105</u> | <u>190,560</u> |
| <i>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</i> | | <u><u>769,113</u></u> | <u><u>760,257</u></u> |

The accompanying notes form an integral part of these accounts.
Rounding off to the nearest thousand dollars has been adopted.

**Consolidated Profit and Loss Account Year Ended December 31,
1984 and 1983.**

General Motors-Holden's Limited and General Motors-Holden's Sales Pty Limited

| | 1984 | 1983 |
|---|------------------|------------------|
| | \$000 | \$000 |
| Sales Revenue (Note 1) | 1,491,003 | 1,202,438 |
| Other Operating Revenue (Note 2) | <u>813</u> | <u>2,343</u> |
| Total Revenue | <u>1,491,816</u> | <u>1,204,781</u> |
| Net (Loss) before Income Tax and Extraordinary Items (Note 3) | (51,920) | (125,445) |
| LESS Income Tax Expense (Credit) (Note 19) | <u>(573)</u> | <u>(584)</u> |
| Net (Loss) Before Extraordinary Item | (51,347) | (124,861) |
| Extraordinary Item— | | |
| Profit on Sale of Fixed Assets (No Income Tax Applicable) | <u>892</u> | <u>—</u> |
| Net (Loss) and Extraordinary Item | (50,455) | (124,861) |
| ADD Unappropriated Profits (Accumulated Losses) at January 1. | <u>(177,304)</u> | <u>(52,443)</u> |
| (Accumulated Losses) at December 31. | <u>(227,759)</u> | <u>(177,304)</u> |

The accompanying notes form an integral part of these accounts.
Rounding off to the nearest thousand dollars has been adopted.

Notes to, and Forming Part of, the Accounts

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF ACCOUNTING METHODS

The following summary of significant accounting methods adopted in the preparation of the accounts is given in order to assist in the understanding of the figures presented. Except as otherwise stated in these notes, the historical cost convention has been adopted.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of General Motors-Holden's Limited and General Motors-Holden's Sales Pty Limited, a wholly owned subsidiary company engaged in wholesale marketing operations. The financial statements exclude consolidation of the Dealership Assistance Division subsidiaries because the related investment is temporary to assist the owners to commence or operate their business.

TRANSACTIONS IN FOREIGN CURRENCIES

Foreign currency transactions arising during the year have been stated in Australian currency at the average rates of exchange for the months in which they arose. Receivables and Payables at December 31, 1984, which are to be settled in foreign currencies have been stated in Australian currency at approximate rates of exchange at that date.

Foreign exchange adjustments are credited or charged to income currently except to the extent of the adjustments related to transactions covered by forward buying contracts. Premiums or discounts on forward buying contracts are amortized over the term of the contract.

INVENTORIES

Inventories are stated at the lower of cost or net realisable value, with cost being determined substantially on the first-in, first-out or the average cost basis.

Inventories were taken at all locations. Methods used involve a combination of physical inventory and statistical sampling.

INCOME TAXES

To accord with accounting standards, future taxation benefits in respect of tax losses and timing differences have not been brought to account.

Investment Allowance, deducted in determining tax estimated to be payable, is normally deferred for amortization over the lives of the related assets. No such deferral was made in the years 1980 to 1984 inclusive.

FIXED ASSETS

Maintenance, repairs, re-arrangement expenses and renewals and betterments which do not enhance the value or increase the basic productive capacity of the assets are charged to cost and expense as incurred. The charge for fixed assets depreciation and amortization is provided on asset cost, or in the case of revalued assets, on the revalued amounts at variable rates depending on the age of the asset and its expected economic life.

DEFERRED ASSETS

Expenditures for special tools are amortized over short periods of time because the utility value of the tools is affected by frequent changes in the design of the functional components and appearance of the product.

PRODUCT RELATED EXPENSE

Expenditures for research and development, advertising and sales promotion are charged to costs and expenses when incurred, provisions for estimated costs related to product warranty are made at the time the products are sold.

INVESTMENTS

Investments in Non-consolidated Subsidiary Companies are initially recorded in the accounts at cost. They are revalued at balance date to their current value, where that value is lower than cost.

PROVISION FOR EMPLOYEE BENEFITS

Provision has been made for the estimated employee benefits that may become payable in respect to benefits accruing from past service.

SALES REVENUE

Sales revenue includes income from sale of motor vehicles, parts and accessories, components, import licences and scrap.

Notes to, and Forming Part of, The Accounts

| | 1984 | 1983 |
|---|--------------|--------------|
| | \$000 | \$000 |
| NOTE 2: OTHER OPERATING REVENUE | | |
| — Government Grants | 378 | 1,465 |
| — Other | 435 | 878 |
| | <u>813</u> | <u>2,343</u> |
| NOTE 3: NET LOSS | | |
| (a) The Net (Loss) is arrived at | | |
| <i>After Crediting</i> | | |
| Premiums on Non Consolidated Subsidiary Companies Share Redemptions | 26 | 246 |
| Dividends from Non Consolidated Subsidiary Companies as detailed in Note 8 (b) | 129 | 74 |
| Interest Received or Receivable from | | |
| — other Related Companies | 19 | 63 |
| — other Persons (Note 21) | 1,838 | 1,432 |
| Abnormal Item — Prior year adjustment due to renegotiation of a lease | — | 11,394 |
| Provision for Stock Obsolescence | 519 | (584) |
| Provision for Doubtful Debts (Note 6) | 50 | (24) |
| <i>After Charging</i> | | |
| Depreciation & Amortization of Fixed Assets | 22,477 | 21,158 |
| Amortization of Special Tools | 10,462 | 16,162 |
| Provision for Employee Benefits | 2,647 | 6,000 |
| Provision for Outstanding Workers' Compensation Claims | 3,272 | — |
| Provision for Marketing Programs, Warranty & Policy | 4,037 | 3,167 |
| Interest Paid or Payable to | | |
| — Holding Company | 5,065 | 5,015 |
| — Other Related Companies | 2,058 | 1,960 |
| — Other Persons | 20,811 | 37,807 |
| Loss on Non Consolidated Subsidiary Companies Share Redemptions | — | 23 |
| Write Down of Investment in Non Consolidated Subsidiary Companies | 227 | 131 |
| Loss on Sale of Non Consolidated Subsidiary Company | 727 | — |
| (b) Auditors' Remuneration — | | |
| For Auditing the Accounts and Consolidated Accounts | 138 | 121 |
| Other Services | 5 | 11 |
| The Auditors of the Company also received fees from Non Consolidated Subsidiaries which were paid by those Subsidiaries — | | |
| — For Audit of Accounts | 99 | 103 |
| — For other Services | 11 | 9 |
| The Auditors received no other benefits for services to General Motors- Holden's Ltd and its subsidiaries | | |

Rounding off to the nearest thousand dollars has been adopted

Notes to, and Forming Part of, The Accounts

| | 1984 | 1983 |
|--|----------------|----------------|
| | \$000 | \$000 |
| <i>NOTE 3 (Cont'd)</i> | | |
| (c) The following profits (losses) on disposals of Fixed Assets were transferred to the Provision for Depreciation and Amortization and were not brought to Account in determining the Consolidated Net (Loss) | | |
| — Land Improvements and Buildings | — | (49) |
| — Machinery, General Tools, Furniture & Fixtures | — | (386) |
| <i>NOTE 4 DIRECTORS' EMOLUMENTS</i> | | |
| Emoluments received or receivable by Directors engaged in the full time employment of the Company and its related Corporations, other than fixed salaries. All emoluments were contributed by the Company and its related Corporations | <u>594</u> | <u>302</u> |
| <i>NOTE 5: CASH AND MARKETABLE SECURITIES</i> | | |
| — Cash on Hand and in Bank | 1,185 | 597 |
| — Marketable Securities (at Cost) | — | 20,000 |
| Total Cash and Marketable Securities | <u>1,185</u> | <u>20,597</u> |
| <i>NOTE 6 ACCOUNTS AND NOTES RECEIVABLE</i> | | |
| — Trade Receivables | 42,790 | 48,151 |
| LESS Provision for Doubtful Debts | 5,395 | 5,550 |
| | <u>37,395</u> | <u>42,601</u> |
| — Amount Receivable from Holding Company | 661 | 1,032 |
| — Amount Receivable from Related Companies | 40,813 | 19,631 |
| — Amount Receivable from Non Consolidated Subsidiary Companies | 342 | 4 |
| — Other Receivables | <u>22,753</u> | <u>4,733</u> |
| Total Accounts and Notes Receivable: | <u>101,964</u> | <u>68,001</u> |
| Bad Debts Written off and debited to the Provision for Doubtful Debts | <u>105</u> | <u>138</u> |
| <i>NOTE 7 INVENTORIES (Note 1)</i> | | |
| — Finished Goods | 113,245 | 87,881 |
| LESS Provision for Stock Obsolescence | 658 | 1,177 |
| | <u>112,587</u> | <u>86,704</u> |
| — Raw Materials | 180,904 | 177,988 |
| — Work in Progress | <u>16,700</u> | <u>15,161</u> |
| Total Inventories | <u>310,191</u> | <u>279,853</u> |

Rounding off to the nearest thousand dollars has been adopted

Notes to, and Forming Part of, The Accounts

| | 1984 | 1983 |
|---|---------------------|---------------------|
| | \$000 | \$000 |
| <i>NOTE 8 INVESTMENTS (Note 1)</i> | | |
| (a) Shares in Non Consolidated Subsidiary Companies at Cost (Note 8 (b)) | 7,608 | 8,322 |
| LESS Amounts Written Down | <u>1,221</u> | <u>1,658</u> |
| | 6,387 | 6,664 |
| Shares in Other Unlisted Company at Cost | <u>753</u> | <u>—</u> |
| | <u><u>7,140</u></u> | <u><u>6,664</u></u> |

(b) Amount of Holding Company's Investment

| Name of Company | Place of Incorporation | Investment At Cost | % Holding of Total Issued Shares | Dividends Received/Receivable | |
|---|------------------------|--------------------|----------------------------------|-------------------------------|------------------|
| | | | | 1984 | 1983 |
| | | \$000 | | \$000 | \$000 |
| General Motors-Holden's Sales Pty. Limited | Vic | <u>10</u> | 100.0 | | |
| <i>Non Consolidated Dealership Assistance Division Subsidiaries</i> | | | | | |
| John Mitchell Motors Pty. Ltd | Vic | 143 | 82.7 | | |
| Donlee Motors Pty Ltd | Vic | 100 | 89.6 | | |
| Ian Hebiton Pty Ltd. (In Vol. Liq.) | Vic | 71 | 100.0 | | |
| A. & E. Taylor Pty Ltd | Vic | 147 | 67.0 | | |
| R B Nash Pty. Ltd | Vic | 550 | 84.6 | | 5 |
| Max Aubert Pty. Ltd | Vic | 516 | 100.0 | | |
| Mellis Motors Pty Ltd | Vic | 500 | 78.9 | | |
| North East Plaza Pty Ltd | Vic | 449 | 88.2 | | |
| Geoff Brady Motors Pty Ltd | Vic. | —* | — | | 41 |
| N F & J E Dight Pty. Ltd | Vic. | 555 | 90.7 | 2 | 2 |
| Greg Cotton Motors Pty. Ltd | Vic. | —* | — | | 26 |
| Davies Dwyer Pty Ltd | Vic | 514 | 83.7 | 127 | |
| Hillyer Motors Pty. Ltd | Vic | 619 | 82.1 | | |
| Noel Gould — Townsville Pty Ltd | Q'ld | 385 | 49.0 | | |
| Leach Motors Pty Ltd | Q'ld | 1,345 | 90.0 | | |
| The T. Packard Motors Co Pty Ltd | NSW | 1,274 | 90.9 | | |
| West City Motors Pty Ltd | NSW | <u>440</u> | 84.6 | | |
| Total Non Consolidated | | <u><u>7608</u></u> | | <u><u>129</u></u> | <u><u>74</u></u> |

* Non consolidated subsidiaries disposed of during year ended December 31, 1984.

Rounding off to the nearest thousand dollars has been adopted

Notes to, and Forming Part of, The Accounts

| | 1984 | 1983 |
|--|-----------------------|-----------------------|
| | \$000 | \$000 |
| <i>NOTE 9 DEFERRED ASSETS</i> | | |
| — Special Tools at Cost less amounts written off | 17,260 | 23,059 |
| — Other Receivables | 43,070 | 45,268 |
| — Prepayments | 981 | 2,516 |
| Total Deferred Assets | <u>61,311</u> | <u>70,843</u> |
| <i>NOTE 10: REAL ESTATE, PLANT AND EQUIPMENT</i> | | |
| Freehold Land | | |
| — At 1983 Directors' Valuation | 23,933 | 32,763 |
| Total Freehold Land | <u>23,933</u> | <u>32,763</u> |
| Land Improvements and Buildings | | |
| — At 1983 Directors' Valuation | 140,721 | 140,997 |
| — At Cost | 832 | — |
| | 141,553 | 140,997 |
| LESS: Provision for Depreciation | 5,229 | — |
| Total Land Improvements and Buildings: | <u>136,324</u> | <u>140,997</u> |
| Leasehold Improvements | | |
| — At 1983 Directors' Valuation | 34,411 | 34,532 |
| — At Cost | 1,388 | — |
| | 35,799 | 34,532 |
| LESS: Provision for Amortization | 1,810 | — |
| Total Leasehold Improvements: | <u>33,989</u> | <u>34,532</u> |
| Machinery, General Tools, Furniture and Fixtures | | |
| — At 1983 Directors' Valuation | 93,890 | 95,693 |
| — At Cost | 11,562 | — |
| | 105,452 | 95,693 |
| LESS: Provision for Depreciation | 15,112 | — |
| Total Machinery, General Tools, Furniture and Fixtures: | <u>90,340</u> | <u>95,693</u> |
| TOTAL REAL ESTATE, PLANT AND EQUIPMENT | <u>284,586</u> | <u>303,985</u> |
| Freehold Land includes the following amounts In respect of Property held for resale | | |
| — Cost of Acquisition | 162 | 162 |
| — Rates and Taxes Capitalised | 2 | 2 |
| | <u>164</u> | <u>164</u> |
| <i>NOTE 11 BANK AND OTHER SHORT TERM BORROWINGS</i> | | |
| — Bank Overdrafts | 43,532 | 40,724 |
| — Other Short Term Loans | 82 | — |
| — Loan from Holding Company | 30,281 | — |
| Total Bank and Other Short Term Borrowings | <u>73,895</u> | <u>40,724</u> |

Rounding off to the nearest thousand dollars has been adopted.

Notes to, and Forming Part of, The Accounts

| | 1984 | 1983 |
|---|----------------|----------------|
| | \$000 | \$000 |
| <i>NOTE 12. ACCOUNTS PAYABLE</i> | | |
| — Income Taxes Payable | 5 | — |
| — Trade Creditors | 133,594 | 103,519 |
| — Creditors in respect of Fixed Assets | 1,751 | 1,873 |
| — Amount Payable to Holding Company | 17,480 | 16,172 |
| — Amount Payable to Other Related Companies | 20,038 | 21,191 |
| — Amount Payable to Non Consolidated Subsidiary Companies | 475 | 363 |
| — Other Creditors | <u>2,614</u> | <u>1,981</u> |
| Total Accounts Payable | <u>175,957</u> | <u>145,099</u> |
| <i>NOTE 13. ACCRUED LIABILITIES AND PROVISIONS</i> | | |
| — Provision for Marketing Programs, Warranty and Policy | 23,434 | 20,473 |
| — Deferred Investment Allowance Credits | 496 | 579 |
| — Provision for Outstanding Workers' Compensation Claims | 2,800 | 2,500 |
| — Provision for Employee Benefits | <u>27,559</u> | <u>25,416</u> |
| Total Accrued Liabilities and Provisions: | <u>54,289</u> | <u>48,968</u> |
| <i>NOTE 14. LONG TERM DEBT</i> | | |
| — Long Term Bank Loans | 35,000 | 97,000 |
| — Loan from Holding Company | 30,281 | 55,723 |
| — Loan from Related Company | 22,321 | 22,321 |
| — Other Long Term Loans | <u>92,800</u> | <u>100,340</u> |
| Total Long Term Debt | <u>180,402</u> | <u>275,384</u> |
| Other Long Term Loans — Represents other short term loans which are intended to be renewed or refinanced under existing long term bank credit agreements | | |
| <i>NOTE 15. OTHER LIABILITIES AND DEFERRED CREDITS</i> | | |
| — Trade Creditors | 4,479 | 6,121 |
| — Provision for Marketing programs, Warranty and Policy | 4,313 | 3,237 |
| — Deferred Investment Allowance Credits | 1,772 | 2,267 |
| — Provision for Outstanding Workers' Compensation Claims | 6,695 | 3,723 |
| — Provision for Employee Benefits | 23,697 | 23,193 |
| — Amount Payable to Related Company | 22,185 | 12,043 |
| — Other Creditors | <u>6,324</u> | <u>8,938</u> |
| Total Other Liabilities and Deferred Credits: | <u>69,465</u> | <u>59,522</u> |

Rounding off to the nearest thousand dollars has been adopted

Notes to, and Forming Part of, The Accounts

| | 1984 | 1983 | | | | |
|---|-----------------------|----------------|--------------------------------|-----------------|-----------------------|---------------|
| | \$000 | \$000 | | | | |
| NOTE 16 CAPITAL | | | | | | |
| (a) Authorised | | | | | | |
| — 292,000,000 Ordinary Shares of \$1 each (1983 — 146,000,000 of \$2 each) | 292,000 | 292,000 | | | | |
| — 250,000 Cumulative Redeemable Non Participating Preference Shares of \$2 each | <u>500</u> | <u>500</u> | | | | |
| Total Authorised Capital | <u>292,500</u> | <u>292,500</u> | | | | |
| (b) Issued and Paid Up | | | | | | |
| — 290,000,000 ordinary Shares of \$1 each (1983 — 145,000,000 of \$2 each) | 290,000 | 290,000 | | | | |
| — 150,000 (1983 — 75,000) Cumulative Redeemable Non Participating Preference Shares of \$2 each | <u>300</u> | <u>150</u> | | | | |
| Total Issued and Paid Up Capital: | <u>290,300</u> | <u>290,150</u> | | | | |
| (c) Shares Issued During 1984 | | | | | | |
| General Motors-Holden's Limited issued 75,000 Cumulative Redeemable Non-Participating Preference shares of \$2 each. The dividends and repayment of the premium on issue of \$998 per share are repayable on redemption. The purpose of the issue was to provide operating funds. | | | | | | |
| (d) Detail of Issued and Paid Up Preference Shares | | | | | | |
| <u>DIVIDENDS</u> | | | | | | |
| Class of Share | No of Shares | Rate | Accruing Payable on Redemption | Redemption Date | | |
| | | % | \$000 | | | |
| Fixed Rate | 5,000 | 10.50 | 537 | Dec. 31 1986 | 10 | 6 |
| Floating Rate | 10,000 | 8.61 | 920 | Dec. 31 1986 | 20 | 12 |
| Fixed Rate | * 33,000 | 9.75 | 1,644 | June 30 1987 | 66 | — |
| Fixed Rate | 17,000 | 9.75 | 855 | June 30 1987 | 34 | — |
| Fixed Rate | 14,000 | 10.75 | 1,550 | Dec. 31 1987 | 28 | 18 |
| Floating Rate | 31,000 | 8.61 | 2,875 | Dec. 31 1987 | 62 | 48 |
| Fixed Rate | 11,000 | 10.75 | 1,242 | Dec. 31 1988 | 22 | 22 |
| Floating Rate | 29,000 | 8.61 | 2,688 | Dec. 31 1988 | <u>58</u> | <u>44</u> |
| | <u>150,000</u> | | <u>12,311</u> | | <u>300</u> | <u>150</u> |
| Premium Payable on Redemption of Preference Shares | | | | | <u>149,700</u> | <u>74,850</u> |
| * Company option for early redemption as from June 30 1986 | | | | | | |
| (e) General Motors Corporation, incorporated in U.S.A. is the ultimate holding company of General Motors-Holden's Limited. | | | | | | |
| NOTE 17. CAPITAL COMMITMENTS | | | | | | |
| Capital commitments not provided for in the accounts | | | | | | |
| — Machinery, General Tools, Furniture and Fixtures | | | | | 4,735 | 548 |
| — Investment in Shares of another company | | | | | <u>—</u> | <u>750</u> |
| Total Capital Commitments | | | | | <u>4,735</u> | <u>1,298</u> |

Rounding off to the nearest thousand dollars has been adopted.

Notes to, and Forming Part of, The Accounts

| | 1984 | 1983 |
|---|----------------|----------------|
| | \$000 | \$000 |
| NOTE 18 CONTINGENT LIABILITIES: | | |
| (a) (i) Unsecured Contingent Liabilities — Guarantees in respect of Assisted Dealerships and various Dealers' wholesale finance and other loans | 393 | 1,461 |
| (ii) Other claims | 1,042 | 636 |
| | <u>1,435</u> | <u>2,097</u> |
| (b) There are guarantees existing with General Motors Acceptance Corporation, Australia, relating to various financing transactions | | |
| (c) There is a guarantee in respect to repayment of preference shares issued by another company | <u>171,210</u> | <u>75,035</u> |
| NOTE 19: INCOME TAXES | | |
| (a) Total tax expense (credit) for the year is represented by: | | |
| — Tax benefit of investment allowance amortization | (578) | (584) |
| — Under Provision for Income Tax in Prior Year | 5 | — |
| Total Tax Expense (Credit): | <u>(573)</u> | <u>(584)</u> |
| (b) Future income tax benefits arising from: | | |
| — Carry forward tax losses | 127,505 | 120,269 |
| — Timing differences | 75,945 | 65,843 |
| Total Future Tax Benefits: | <u>203,450</u> | <u>186,112</u> |
| were not recorded in the accounts | | |
| These benefits will only be obtained if: | | |
| (i) The Company derives future assessable income of a nature and of sufficient amount to enable the benefit of the deductions to be realised, | | |
| (ii) The Company continues to comply with the conditions for deductibility imposed by the law, and | | |
| (iii) Legislation does not change in a manner which would adversely affect the Company in realising the benefit of the deductions | | |
| NOTE 20 LEASE COMMITMENTS | | |
| | 1984 | 1983 |
| | \$000 | \$000 |
| (a) Aggregate Commitment | | |
| — Land and Buildings | 10,020 | 7,120 |
| — Machinery, Equipment and Special Tools | 328,306 | 367,889 |
| | <u>338,326</u> | <u>375,009</u> |
| (b) That Part of Aggregate Commitment which is payable within 12 months | | |
| — Land and Buildings | 1,746 | 511 |
| — Machinery, Equipment and Special Tools | 32,377 | 30,718 |
| | <u>34,123</u> | <u>31,229</u> |

NOTE 21 INTEREST DUE FROM OTHER PERSONS

Interest due from other persons totalling \$750,625 (1983 \$721,000) on a trade receivable of \$5,000,000 (1983 \$5,000,000) has not been brought to account in the profit and loss account. This receivable is fully provided for as doubtful and consequently it is not considered prudent to accrue the interest.

NOTE 22 ROUNDING OFF OF AMOUNTS TO THE NEAREST THOUSAND DOLLARS

The Company is a Company of the kind referred to in Regulation 58(6) of the Companies (Victoria) Regulations and pursuant to Section 271 of the Companies (Victoria) Code amounts have been rounded-off in accordance with that Regulation 58.

Rounding off to the nearest thousand dollars has been adopted

Statement of Changes in Consolidated Financial Position for years ended December 31, 1984, and 1983.

| | 1984 | 1983 |
|---|-----------------|---------------|
| | \$000 | \$000 |
| <i>SOURCE OF FUNDS</i> | | |
| — Net (Loss) before extraordinary items | (51,347) | (124,861) |
| — Depreciation of Real Estate, Plant and Equipment | 22,477 | 21,158 |
| — Amortization of Special Tools | 10,462 | 16,162 |
| — Disposals and Retirements of Real Estate, Plant and Equipment and Special Tools | 27,317 | 13,274 |
| — Long Term Debt | — | 42,058 |
| — Other Non Current Liabilities | 9,943 | 8,178 |
| — Other Non Current Assets | 3,257 | — |
| — Share Capital and Premium on Issue | 75,000 | 75,000 |
| Total | <u>97,109</u> | <u>50,969</u> |
| <i>APPLICATION OF FUNDS</i> | | |
| — Expenditures for Real Estate, Plant and Equipment | 13,946 | 7,071 |
| — Expenditures for Special Tools | 20,220 | 18,001 |
| — Other — Non Current Assets | — | 3,917 |
| — Long Term Debt | 94,982 | — |
| | <u>129,148</u> | <u>28,989</u> |
| — Increase (Decrease) in Working Capital | <u>(32,039)</u> | <u>21,980</u> |
| Total | <u>97,109</u> | <u>50,969</u> |
| <i>INCREASE (DECREASE) IN WORKING CAPITAL BY ELEMENT</i> | | |
| — Cash and Marketable Securities | (22,220) | 24,987 |
| — Other Borrowings | (30,363) | 58,150 |
| — Accounts Receivable and Prepayments | 26,385 | (17,384) |
| — Inventories | 30,338 | (60,045) |
| — Accounts Payable, Accruals and Provisions | (36,179) | 16,272 |
| Total Increase (Decrease) in Working Capital by Element | <u>(32,039)</u> | <u>21,980</u> |

Rounding off to the nearest thousand dollars has been adopted

Statement by Directors

General Motors-Holden's Limited and
General Motors-Holden's Sales Pty. Limited

We, Charles Sherman Chapman and Elwood Eugene Leathley, being two of the Directors of General Motors-Holden's Limited and General Motors-Holden's Sales Pty. Limited, do hereby state that, in our opinion:

- (a) the attached consolidated Profit and Loss Statement is drawn up so as to give a true and fair view of the results of the business of General Motors-Holden's Limited and General Motors-Holden's Sales Pty. Limited for the year ended December 31, 1984, and that the consolidated Balance Sheet is so drawn up as to exhibit a true and fair view of the consolidated state of affairs of those Companies at December 31, 1984
- (b) there are reasonable grounds to believe that these companies will be able to pay their debts as and when they fall due.

Signed on behalf of the Directors:

C.S. Chapman — Director

E.E. Leathley — Director

Dated at Melbourne, Victoria
April 30, 1985

Auditor's Report to the Directors

General Motors-Holden's Limited and
General Motors-Holden's Sales Pty. Limited

In our opinion, the accompanying accounts being —

- (i) the consolidated balance sheet, consolidated profit and loss account, the accompanying notes thereto and the consolidated funds statement, of General Motors-Holden's Limited and General Motors-Holden's Sales Pty. Ltd. set out on pages 6 and 16
- (ii) the directors' statement

are properly drawn up so as to give a true and fair view of the consolidated state of affairs of the Companies at 31st December, 1984 and of the consolidated results of the Companies for the year ended on that date.

DELOITTE HASKINS & SELLS

Signed at Melbourne, Vic
April 30, 1985

D.H.B. DRUMMOND
Partner
Chartered Accountants

Ten year's statistics

General Motors-Holden's Limited and
General Motors-Holden's Sales Pty. Limited

| | Year | | | | | | | | | |
|--|---------|---------|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 |
| Wholesale Vehicle Sales— | | | | | | | | | | |
| Units | | | | | | | | | | |
| Domestic | 157,415 | 150,063 | 132,575 | 150,162 | 162,582 | 131,222 | 133,903 | 128,437 | 107,189 | 120,917 |
| Export | 7,540 | 7,593 | 7,694 | 7,171 | 11,670 | 6,685 | 12,258 | 12,862 | 6,914 | 10,871 |
| Total | 164,955 | 157,656 | 140,269 | 157,333 | 174,252 | 137,907 | 146,161 | 141,299 | 114,103 | 131,788 |
| Sales Revenue | | | | | | | | | | |
| Domestic \$000's | 624,561 | 700,771 | 696,314 | 866,420 | 1,038,458 | 952,358 | 1,101,634 | 1,128,277 | 1,011,178 | 1,274,264 |
| Export \$000's | 32,388 | 30,915 | 30,073 | 28,943 | 50,919 | 38,829 | 76,617 | 150,204 | 189,161 | 204,759 |
| Total \$000's | 656,949 | 731,686 | 726,387 | 895,363 | 1,089,377 | 991,187 | 1,178,251 | 1,278,481 | 1,200,339 | 1,479,023 |
| Expenditures for Land, Buildings and Equipment (excludes Special Tools) \$000's | 12,235 | 11,230 | 17,222 | 14,515 | 30,444 | 114,062 | 151,509 | 29,318 | 7,071 | 13,946 |
| Amounts Paid to Suppliers for Expenditures for Special Tools \$000's | 9,765 | 21,288 | 35,764 | 38,092 | 37,246 | 48,566 | 16,258 | 31,372 | 18,001 | 20,220 |
| Materials, Components and Services \$000's | 396,546 | 425,158 | 460,662 | 524,456 | 696,227 | 727,367 | 752,344 | 914,006 | 923,989 | 1,080,046 |
| Average Number of Employees | 23,390 | 22,579 | 21,255 | 21,239 | 22,740 | 19,838 | 17,982 | 18,913 | 14,992 | 14,136 |
| Total Payrolls \$000's | 181,717 | 216,132 | 213,420 | 248,289 | 291,454 | 266,911 | 293,062 | 361,687 | 270,653 | 305,770 |
| Net Profit \$000's | 17,828 | 16,309 | (8,411) | (8,435) | 4,617 | (129,810) | 6,069 | (126,626) | (124,861) | (50,455) |
| Dividends \$000's | 5,500 | 7,000 | 8,050 | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Government Charges for Customs Duties and Taxes Including Tax on Dividends \$000's | 36,427 | 46,875 | 26,844 | 27,730 | 32,700 | 31,625 | 41,395 | 49,114 | 43,611 | 52,716 |
| Net Income (Loss) of General Motors Corporation, USA, the Holding Company of General Motors Holden's Limited US\$millions | 1253.1 | 2902.8 | 3337.5 | 3508.0 | 2892.7 | (762.5) | 333.4 | 962.7 | 3730.2 | 4516.5 |

Products

General Motors-Holden's Limited and General Motors-Holden's Sales Pty Limited

PASSENGER VEHICLES

| | | | |
|--------|---|-----------|--|
| Holden | Gemini sedan Gemini SL sedan Gemini SL/X sedan Gemini SL/X diesel sedan Gemini station wagon | Holden | Commodore SL sedan Commodore SL station wagon Commodore SL/X sedan Commodore SL/X station wagon Commodore SL/E sedan |
| Holden | Astra SL/X hatchback Astra SL/E hatchback | Statesman | De Ville Caprice |
| Holden | Camira SL sedan Camira SL station wagon Camira SJ sedan Camira SL/X sedan Camira SL/X station wagon Camira SL/E sedan Camira SL/E station wagon | | |

LIGHT COMMERCIAL VEHICLES

| | |
|--------|---|
| Holden | Panel van Utility Kingswood utility One tonner |
| Holden | Rodeo LWB pick up Rodeo LWB chassis cab Rodeo LWB crew cab (2 & 4WD) Rodeo SWB (4WD) pick up Rodeo SWB (4WD) chassis cab Available Petrol and Diesel |
| Holden | Jackaroo (4WD) station wagon Available Petrol and Diesel |
| Holden | Shuttle SWB van Shuttle LWB van Shuttle LT coach Available Petrol and Diesel |

HEAVY COMMERCIALS

Isuzu Truck Models Availability 1984

| MODEL | G.V.M | ENGINE |
|-------------------------|--------|----------|
| TLD24 chassis cab | 4200 | 2775 D4 |
| TLD44 chassis cab | 4800 | 2775 D4 |
| TLD54 crew cab | 4800 | 2775 D4 |
| TLD56 chassis cab | 5200 | 3268 D4 |
| KT26 chassis cab | 5600 | 3268 D4 |
| KS32 chassis cab | 6800 | 3856 D4 |
| SBR422 chassis cab* | 8000 | 5393 D6 |
| SBR422 crew cab | 8000 | 5393 D6 |
| SBR422A chassis cab | 9000 | 5393 D6 |
| SBR422A crew cab | 9000 | 5393 D6 |
| SCR480 chassis cab* | 10,500 | 5785 D6 |
| JCR360 chassis cab | 12,850 | 5785 D6 |
| JCR500 chassis cab* † ‡ | 12,850 | 5785 D6 |
| JCR500 crew cab | 12,850 | 5785 D6 |
| JCS420 chassis cab 4x4 | 11,000 | 5785 D6 |
| JCS420 crew cab 4x4 | 11,000 | 5785 D6 |
| JSD45 chassis cab 4x4 | 12,500 | 5785 D6 |
| JWD25 chassis cab 6x6 | 14,000 | 5785 D6 |
| CVR162 chassis cab | 14,200 | 12023 D6 |
| CXG166 chassis cab 6x2 | 18,500 | 12023 D6 |
| CXZ164 chassis cab 6x4 | 23,000 | 12023 D6 |
| CXH169 chassis cab 8x4 | 27,000 | 12023 D6 |
| CCR570 bus chassis | 12,500 | 5785 D6 |

Available Options

- * Automatic Transmission
- † Turbo Charge
- ‡ 2 Speed Axle

OTHER PRODUCTS

Detroit Diesel engines
Allison automatic transmissions and industrial gas turbines,
parts and accessories for passenger commercial products,
engines and components

