

Annual Report

2013 - 2014

ACAPMA
The Voice of Petrol Convenience





ACAPMA IS THE LEADING MEMBER ASSOCIATION AND NATIONAL PEAK BODY RESPONSIBLE FOR THE DEVELOPMENT AND GROWTH OF THE PETROLEUM DISTRIBUTION AND PETROL CONVENIENCE RETAIL INDUSTRY.



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MEMBERS OF ACAPMA REPRESENT COMPANIES OF ALL SIZES IN THE PETROL CONVENIENCE INDUSTRY; MAJORS, INDEPENDENTS, FAMILY OWNED AND MULTI-SITE OPERATORS.

Mission

To advance the growth of petrol convenience retailing and petroleum distribution to the advantage of all Australians by advocating its importance to our economy and nation including supporting and developing best practice operations at all levels.

Vision

To be the Association most trusted at delivering knowledge, service and value to government, industry and the community on behalf of the Petroleum and Convenience industries.

Values

At ACAPMA, we are passionate about helping people achieve at the highest level and focus on taking action, delivering on our promise and exceeding expectations. We are focused on creating simplicity and are innovative in our endeavours. Driven by the highest ethical standards, we comply with the law and act in a socially responsible manner.

Commitment

The Associations strategy in pursuit of our vision and mission is to provide:

- » Knowledge by engaging our members, business partners and the community through communication and education.
- » Knowledge by building mutually beneficial and sustainable relationships with all stakeholders.
- » Service through the promotion of excellence in the execution of all projects by industry participants.
- » Service through best practice resource management on behalf of members.
- » Value by shaping the Petroleum and Convenience industries to better manage assets and develop new opportunities.
- » Value by cost management, through service improvements, technology and innovation

We achieve “trust” when, as an Association, we are:

- » Valued by the community for our contribution to the quality of their lives.
- » The Association of choice for operators in the Petroleum and Convenience industries.
- » Preferred as the first point of contact by government and mass media.
- » Regarded as the leader in the provision of services to the industry.
- » Maintaining a competitive financial management structure and achieving best practice in all our endeavours.



ACAPMA DELIVERS TO MEMBERS, COMPREHENSIVE KNOWLEDGE AND TRAINING, CONNECTIONS AND ADVOCACY ENSURING THE COMPETITIVE VIABILITY OF MEMBERS AND THEIR BUSINESSES.

Supporting the industry

Workplace Relations

Are you conducting best practice risk assessment, staff induction and continuous development or are you opening up your business to large fines in the area of workplace safety and retail compliance?

The training arm of ACAPMA provides a program of industry learning solutions that can assist your business.

Training

ACAPMA offers a program of industry learning solutions that will assist your resourcing challenges. Members benefit from; in-store materials, online compliance and safety courses, face-to-face staff training and advanced management development training.

Our team can tailor a program specifically to suit individual business needs, keeping your business compliant and staffed with competent enthusiastic workers.

Advocacy

As the industry member association it is our role to advocate to government on issues affecting the Industry. Our dedicated team work to educate policy makers and regulators on issues affecting our industry.

ACAPMA continues to ensure that members issues are heard and policy changes are made - The more members the louder our voice in Canberra.

Events

ACAPMA hosts the annual Conference & Expo.

Additional events will be introduced over the coming year giving members and suppliers the opportunity to learn network and engage with industry - Member prices will apply.



Information

ACAPMA does not just report news, it creates news. With considered analysis, insightful opinions and thoughtful leadership ACAPMA uses different communication vehicles to ensure that it is the go-to source for the most relevant and trusted industry information.

Change and opportunity



The past year has been one of immense change within the downstream petroleum industry, and ACAPMA has responded through a range of communication, advocacy and training initiatives that have benefited members, and the industry as a whole.

The Board has been focused on high-level strategies, which have seen past investment in our future result in a surplus that can now be returned to members through improved services.

We conducted a risk review of our governance and business processes to ensure ACAPMA's dealings with members and government continued to remain transparent and accountable; and we reviewed policy positions and debated strategic issues that would affect members in the coming years.

The ACAPMA Board held its March meeting in Canberra, continuing a tradition of gathering in the national capital and taking the opportunity to meet with influential politicians, public servants and lobbyists.

These meetings, as well as ongoing relationship building with key decision makers, has meant ACAPMA has been able to lead the debate and drive reform at a local, state and national level.

For example, the work CEO Nic Moulis and his team did in lobbying the ACCC for a "fair go" when it came to supermarket shopper dockets saw the discounts capped at 4c/litre. And anecdotal evidence has shown that fuel volume sales have been shifting back to independents in the past six months.

Another achievement that must be recognised is the success of the newly-launched e-Learning Hub, ACAPMAcademy. The Board sees this as an area that is ripe for further development to benefit a wide range of members across various sections of the industry.

During the year, we also saw the Australian Petroleum Industry Contractors and Suppliers Association (APICSA) come under the ACAPMA umbrella, with the formation of the APICSA Council. Both organisations agreed this was the best way continue to offer the petroleum industry a strong and vibrant member representative body. I would like to take this opportunity to congratulate and thank Russell Dupuy on his election as APICSA Council Chair.

Finally, my report would not be complete without thanking Nic and his staff for their work over the year. I would like to make special mention of Marg Taylor, who left this year after 35 years' service with ACAPMA, its predecessors and its members. The industry won't be the same without her.

The Australian petroleum industry is experiencing rapid change like no other time in its history. ACAPMA members – and the industry as a whole – can rest assured that the Association will continue to be active in this changing environment, helping members stay informed and ready for any opportunity that presents itself.

Philip Molineux
National Board President | ACAPMA

A sharp focus on results



From ACAPMA's genesis, the mantra of the Association Secretariat has been to deliver knowledge, service and value to its members. The challenge given to us this year was to deliver on this ethos, while finding efficiency and productivity.

To achieve this goal, the Secretariat has undertaken plans to better harness technology as a delivery tool, and to realign work tasks to focus on the strategic direction set by the Board.

A shining example of this has been the development and execution of online training. Successfully moving the training of Petrol Convenience Compliance from a face-to-face course into an e-hub not only led to a reduction in cost of operation, but a corresponding lower cost to users. The upside has been a massive increase in the number of people being trained.

Through the risk review into governance and business process, there was a clear identification of areas where the Association needed to bolster resources and remove impediments to effective cost management. This realised a situation where service levels were increased and representation enhanced, including new employees into the Association; while both administration and remuneration expenses fell when measured against the previous year.

While achieving these great financial results, ACAPMA continued to make its mark with the wider stakeholder community. By keeping to our goals for the year, we have used electronic media to our advantage as we lobbied during the election campaign and continually on broader industry issues.

A highlight was our 2013 Federal Election Campaign: One industry, one voice. By using the acapma.com.au website, ACAPMAg e-newsletter and ACAPMAg, we communicated our important messages to more than 15,000 people who accessed our website, downloading factsheets and letters.

Since the election and a change in Government, the time ACAPMA spent building relationships and policy platforms has come to the fore. We have seen changes to the shopper docket programs benefiting independent fuel retailers; proposed amendments to remove discounts from price boards; and currently the Harper Competition Review.

The Association is firmly involved in the latter, as a member of the Special Consultative Roundtable, informing Professor Harper and Treasury on the importance for competition reform to our industry.

Having said all of that, I need to recognise that the Association - in the past, today and into the future - will always be about the people involved. Members, the Board and Secretariat alike are all individuals who bring their own to the vibrancy of our Association.

I would like to recognise one person in this colourful mix, Marg Taylor, whose dedication and support for members and the industry has been invaluable. Much was said about Marg earlier in the year when she left the Association, moving onto a new chapter in her life. All I would like to repeat is thank you Marg, the industry is a better place for having you serve it.

Knowledge, service and value will continue to be the driving force behind all we do. ACAPMA members can know that as we strive to meet these ambitions, sustaining the Association as a financial and recognised entity is still our sharp focus.

Nic Moulis
CEO & General Manager | ACAPMA

2013-14 PROVED A CHALLENGING AND INTERESTING YEAR FOR THE DOWNSTREAM PETROLEUM INDUSTRY. IT WAS A TIME OF IMMENSE CHANGE, WHICH PRESENTED A RAFT OF OPPORTUNITIES FOR THE VIEWS OF OUR MEMBERS TO BE HEARD.

Information

After a strategic review, a relaunched ACAPMAg and ACAPMAg e-News were delivered with a clean look and feel and a focus on news and information affecting all our members. With a commitment to being the voice of petrol convenience, the refreshed ACAPMAg suite made a statement no other publication could make - created by the industry, for the industry.

At its heart, ACAPMAg is the industry's trusted publication, delivering the knowledge, service and value to more than 14,500 readers and advertisers, who demand quality information in such a competitive market place.

ACAPMA, through CEO Nic Moulis, appeared in numerous mass media reports on industry issues. From the ACCC's move on supermarket shopper dockets to the Cootes tanker rollover, the Association is now the media spokesperson for the wider industry.

Moulis has been interviewed on radio by the likes of Alan Jones, Neil Mitchell, Tom Elliot and Ross Greenwood. While appearing consistently on nightly national news bulletins, he has done multiple live interviews and outside broadcasts for the Channel Nine's Today Show, Seven Network's Morning Show and The Project on Network TEN.

Regular reports in News and Fairfax printed media, including The Sydney Morning Herald, The Financial Review and Herald Sun, further enhanced ACAPMA as a credible source for media outlets.

Events

Delegates from all over Australia made their way to Sydney Olympic Park from 11 to 12 September 2013, for the Convenience and Petroleum Industry Conference; the highlight event in ACAPMA's calendar.

Industry associations ACAPMA and APICSA joined forces so that attendees could experience a balanced mix of retail, distribution and business information, via an offering of informative sessions on topics important to the convenience and petroleum marketing industry.

All in all, the convenience and petroleum industry's premier event was another opportunity for learning, buying and selling, networking and fun; another successful ACAPMA event.

The Indonesian capital Jakarta was the backdrop to a week Australian petroleum distributors and petrol convenience retailers spent in on the ACAPMA International Study Tour, during March 2014.

Incorporating PetroForum, the tour provided delegates - from senior corporate managers to single site operators - an opportunity to meet with equipment and service providers from around the world. Thanks to presentations from Coca-Cola Amatil and VOPAK, attendees received an informative insight into convenience and petroleum marketing in Indonesia. Site visits to convenience outlets and service stations allowed everyone to all soak in all the experiences on offer as part of this ACAPMA annual event.

The knowledge gained and the friendships made during ACAPMA International Study Tour will last long in delegates' memories.

To further improve the ACAPMA information and event programs the Association hired Edwina Cattnach, as Industry Relationship Manager.

Training

ACAPMA further developed the PCC in consultation with regulators and informant agencies. The addition of new multimedia content and online delivery enhanced a course that is relevant, engaging and informative. The outcome is members can utilise a platform that drives real safety and compliance outcomes at site level.

Refer to the article on page 14 'Leading the Industry' for more details on this highlight of ACAPMA's year.

Workplace Relations

While Marg Taylor leaving the Association as an employee is not regarded a highlight, it did provide the momentum for change.

Elisha Radwanowski became the full-time Industrial Relations Advisor as part of her Manager Association Business and Workplace Services role. The advantage of a new eye on this important service was emphasised by a refreshed set of Quick Reference Guide resources available to members, and a subsequent face-to-face training program meant Radwanowski met with Association members across the country.

ACAPMA also acted on behalf of members in the Road Safety Remuneration Tribunal, an independent national tribunal that has functions relating to the road transport industry. In a claim brought by the Transport Workers Union, ACAPMA acted as an informer to the tribunal on the best practise regimes undertaken by members.

The Association also acted as secretary and chair of the Fuel Industry Safety Forum, an industry stakeholder group that includes WorkCover, EPA, Police, major fuel industry companies, contractors and smaller independent retailers. Started in NSW, this group is now recognised nationally as it begins to deliver cultural change in safety and compliance.

Advocacy

ACAPMA's efforts in the last year were to engage deeper in the policy and regulation debate. The Association discussed such issues as shopper dockets, competition policy, truck safety, alternative fuels and supply chain infrastructure.

Through CEO Nic Moulis' continued participation as a member of the ACCC Fuel Consultative Committee and appointment to the Special Competition Policy Roundtable, ACAPMA is at the forefront of discussions on competition in Australia.

By being a participant in the Transport Logistic Industry Skills Council Steering Committee, NSW Armed Robbery Forum and the SLP Technical Advisory Group, the Association continues to influence safety, compliance and training outcomes across all aspects of the industry.

The highlight of the advocacy meeting program was again ACAPMA @ The House, the annual Board meeting and Parliament meetings in Canberra. While meeting with both sides of federal politics, including Ministers and their senior advisors as part of the week, the Board of Management also attended a dinner with the Chair of the ACCC, Rod Sims and his Deputy Chair Michael Schaper, whose competition law focus is on Small Business.

As the extensive advocacy program comprised much contact and follow-up with Members of Parliament both State and Federal, ACAPMA moved Philip Skinner into an advocacy role. As part of this he is undergoing training to be more effective in this important area.

Leading the industry

ACAPMA's retail learning solution, the Petroleum Convenience Compliance course (PCC) is setting the standard for front line training and delivering unprecedented value for members.

In 2014, ACAPMA launched the next stage of industry learning solutions delivered under the ACAPMAcademy banner, the PCC Online.

ACAPMA developed the PCC in response to calls from members and regulators to develop a best-practice training system that addressed the safety and compliance elements common to all retail petroleum sites.

The launch and enthusiastic take-up of the PCC Online is a massive step forward for the industry. What began with a conscious decision by the membership, and the Board, to invest in some basic training materials, has progressed through an extensive development and enhancement program.

This resource enrichment program included engagement with, and feedback from, regulators, law enforcement, retailers and end users. The result initially was a full-day, face-to-face course. The PCC is a comprehensive course that is delivered by industry professionals.

The roll out of the face-to-face course was quite successful. In less than a year, more than 40 courses were conducted, and more than 1,000 participants were trained. Importantly the material contained in the comprehensive course was refined, the questions of new and experienced front line staff were recorded and addressed.

The conversion of the proven and successful face-to-face course into an accessible and engaging multimedia online format has allowed ACAPMA to make this vital safety and compliance training available to all front line staff in the 6,400 service stations across the country.

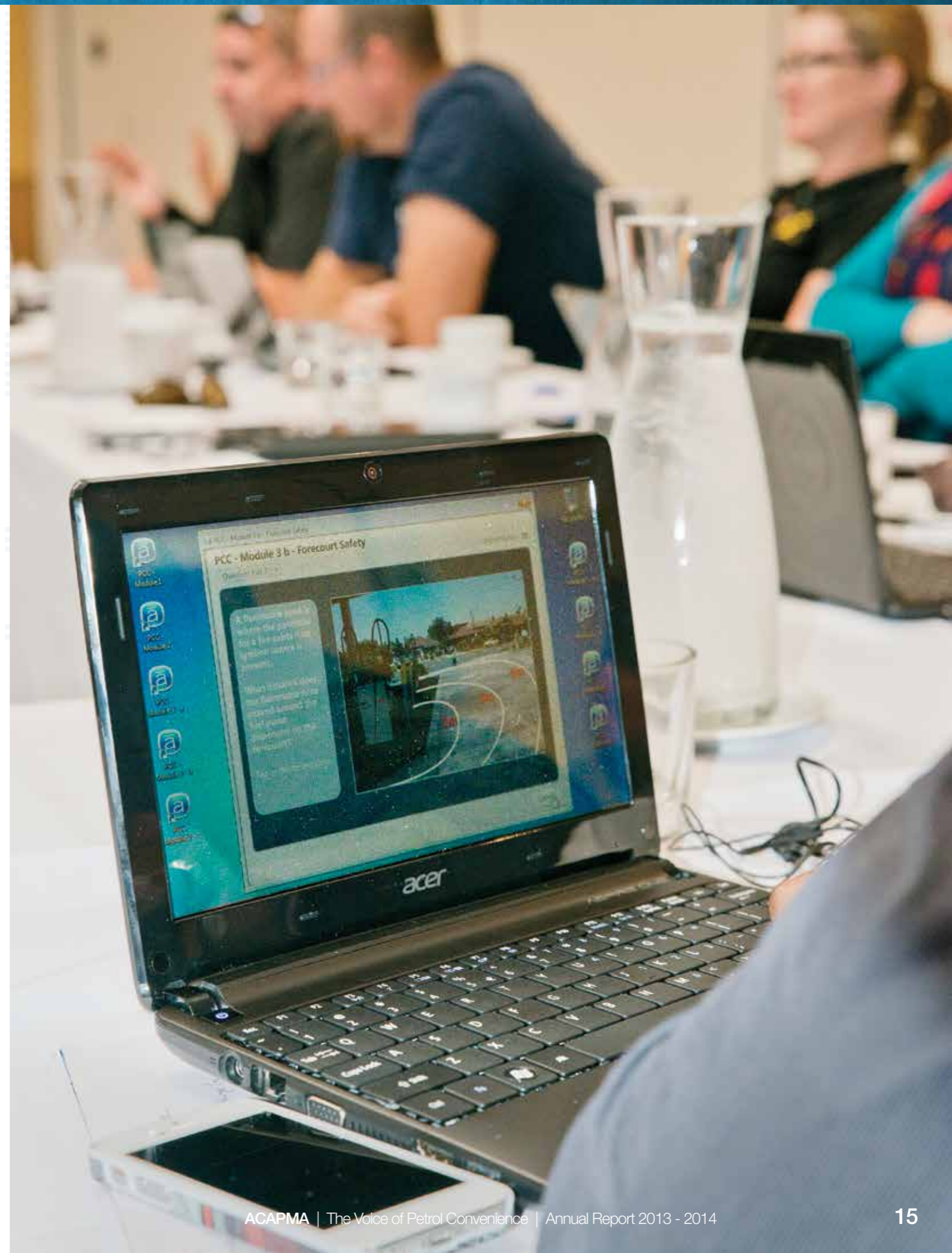
At the time of publication, the PCC Online, launched in March 2014, had engaged more than 400 retail sites and seen almost 3,000 staff complete over 14,000 course modules. The industry has embraced this dedicated training and these numbers continue to grow.

The directive from members was to make training comprehensive, relevant, affordable and accessible, the PCC is one of the industry learning solutions offered by ACAPMA that is doing just that.

The PCC will continue to grow and be refined over time, and will be joined in the next financial year, and into the future, by other learning resources in the retail, wholesale, transport and management areas of the downstream petroleum industry.

“WHEN WE DEVELOPED THE PCC IT WAS TO FILL A CLEAR GAP IN THE INDUSTRY. REGULATORS WERE COMING TO US FRUSTRATED WITH THE LACK OF FORMALISED TRAINING AT A SITE LEVEL.”

- ELISHA RADWANOWSKI



THIS FINANCIAL YEAR HAS SEEN ACAPMA ADVOCATE ON MEMBERS' BEHALF ON A NUMBER OF ISSUES, NOT LEAST BEING THE SUPERMARKET "SHOPPER DOCKET" DISCOUNTS, WHICH CONTINUED TO INCREASE AND NEGATIVELY AFFECT SMALLER, INDEPENDENT RETAILERS.

After several years of lobbying the Federal Government and the Australian Competition and Consumer Commission, in December 2013 the Association welcomed the end of deep discounts, with the ACCC announcing that shopper docket, available on supermarket purchase, would be capped at 4 cents a litre.

The ACCC determination also prevented supermarkets from cross-subsidising. By holding the supermarkets to funding the discounts from fuel and convenience store sales, ACAPMA believes this will mean the end of discounts of up to 40 cents a litre and more.

The shopper docket scheme had over the years placed considerable strain on ACAPMA members, with ACCC data from 2009 to 2012 indicating that the petrol convenience industry had seen close to 1,000 independent retailers close their doors for the last time.

It also had a knock-on effect to the consumer, with the petrol discounts being subsidised through higher grocery prices.

While this does not mean the end of deep promotional fuel discounts, it does mean they will be more short-lived and it will be harder for the supermarket giants to fund them.

On top of this win for small retailers, ACAPMA worked to ensure that the Federal Government's promised 'root and branch' review of competition policy addresses further serious competition issues facing the Australian economy.

As well as the shopper docket issue and the competition review, ACAPMA worked with governments to promote members interests on a number of other issues

Ethanol Mandate

ACAPMA's submission to the NSW Government's consultation paper on mandated ethanol percentages addressed serious concerns over the legislation, including the cost of implementing, and the fact that the average motorist is concerned about what ethanol may do to their engine. ACAPMA's position that the mandate was unworkable has been supported by an extensive research paper.

Price Boards

ACAPMA advocated on behalf of members against extensive changes to fuel prices boards, under a proposed Federal Regulation, that would have a negative impact on the cost of doing business.

As a means of combating the influence of the supermarkets, ACAPMA supported the view that when displaying fuel prices retailers should show the unconditional price – that is the price without any discounts or special offers.

The Association has maintained its opposition to other proposed price board regulations that included any mandatory use of a board or a prescribed number of products that need to be displayed on a fuel price board.

Energy Industry White Paper

The Government released the Terms of Reference for the Energy Industry White Paper in December 2013, with specific mention of energy-related distribution infrastructure and alternative fuel sources. The white paper is intended to set a cohesive policy to secure our long-term energy needs, maintain international competitiveness and grow our export base. ACAPMA has been lobbying government for some time to address these issues and the association's response confirms this view.

Infrastructure

In November, 2011, ACAPMA called on the on the Federal Government to recognise import petroleum infrastructure as "facilities of national significance" and to provide support and funding for the development of a National Framework for Petroleum Infrastructure.

The Association continues to argue that the current petroleum infrastructure in Australia was leaving the country vulnerable to limited competition in the wholesale sector, as well as squeezing out independent retailers. Key to the plan of a Framework for Petroleum Infrastructure is open access terminals, only then would Australia be able to take advantage of growing international competition for refined fuel supply.

Fuel Security

ACAPMA also continued to argue that Australian policy makers needed to aim for fuel interdependence, increasing both storage capacity in the county, as well as the number of countries and companies from which we import our refined fuels.

Vapour Recovery

We continued to work with state governments on vapour recover legislation, upholding the view that rather than imposing an extra cost on small business to meet legislated solutions to vapour emission, the key would be to develop legislation based on measurable outcomes - then allowing individual operators to find their best solutions. While meeting an air quality outcome, this approach would keep the industry flexible to new and innovative solutions, allowing technology to deliver the most cost-effective solution.

Truck safety

ACAPMA contributed to discussions around the vehicle accidents in the dangerous good industry, promoting the position that a cascade of human and mechanical influencers need to be addressed to reduce on-road incidents. With data showing that 68 per cent of accidents with claims greater than \$25,000 are due to driver error, training – not just a blanket mechanical solution - is the answer to preventing serious truck accidents.

During 2013-14, the Association continued to state that building a safety culture, in hand with mechanical solutions, would address the major truck safety risk factors.



Financial Report

2013 - 2014



Progressive growth towards a stable future

I am pleased, on behalf of the Board of Management, to present the audited Annual Report for the 2013-2014 Financial Year.

The year's financial result is a surplus of \$30,072 (EBITDA).

This outstanding turnaround reflects the measures put in place to control overhead costs, while delivering quality services to ACAPMA Members and the wider industry. It comes through the committed efforts of the Chief Executive Officer and the Secretariat, who have undertaken the Board's directives successfully.

Over the past 12 months, the Association has seen income growth in training, trade subscriptions and commission subscriptions.

The ACAPMAcademy program increased in gross income by 200 per cent over the previous year, which substantiates the Board of Management's vision: that training - specifically online training - is of significant importance to the industry and will underpin a strong revenue stream in the coming years.

The Convenience and Petroleum Industry Conference 2013, hosted in Sydney, also provided a steady surplus, even though it was a smaller event than the previous year.

Throughout the reporting period, we have also seen a concerted effort by the CEO to maintain Secretariat expense levels, attributed to the operations of the Association. I am pleased to report that, through those efforts, expenses have remained constant, while still providing quality service and support to the industry.

Expense control has also been achieved despite Secretariat growth, with the Association engaging an Industry Relationship Manager to assist with the development of a stronger member offering and the delivery of quality events, which support and encourage greater interaction between members and suppliers.

The financial position at 30 June 2014, is such that net assets remain healthy at \$1,504,007.59, and we as an Association are in a strong position to be able to meet our obligations in the coming year and years to come.

As the Treasurer of our Association, I am comforted by the knowledge that your Association is moving in a positive direction under the management of the CEO, and that the Board is wholeheartedly committed to investing in your future, the future of ACAPMA and the future of the Industry.

Yours faithfully

Troy Bennett
Treasurer | ACAPMA
30th July 2014



Register of Members 2013/2014

7-Eleven Stores Pty Ltd
 ABT NT Pty Ltd
 Access Fuels
 Adelaide Fuel Distributors
 Aero Refuellers
 AMBBT Pty Ltd
 AP & MT Mavin Petroleum Pty Ltd
 APCO
 Baragill Pty Ltd
 Bennetts Petroleum Supplies Pty Ltd
 Bepat Pty Ltd
 Boland Petroleum
 Bonney Energy Pty Ltd
 BP Australia Pty Ltd
 Bulk Fuel Australia
 C&V Hansimikali Pty Ltd
 Caltas Pty Ltd
 Caltex Australia Petroleum Pty Ltd
 Caltex Yabulu
 Central Queensland Petroleum
 City & Regional Fuels
 Coomealla Fuel Station Pty Ltd
 Costco Wholesale Australia Pty Ltd
 Cressy Petroleum
 Duncan Investments Queensland Pty Ltd
 East Coast Lubes Pty Ltd
 EL Weinert & Co
 Endeavour Stores Pty Ltd
 Evans Petroleum Gippsland Pty Ltd
 F & RN McNabb Pty Ltd
 Fast Fuel
 Fraser Coast Fuel
 Fuel Distributors of WA
 Gaseng Petroleum
 Geographe Petroleum
 Geraldton Fuel
 GT Southern Fuel Supplies
 Hope's Fuel Supplies
 Hunts Fuel
 I & M Simpson & Son Pty Ltd
 Inland Petroleum
 Jet Air Pty Ltd
 JJ AE & DJ Oudenryn
 John Duff & Co Pty Ltd
 John H Jones Pty Ltd
 JW Bourchier & Son
 Kel Campbell Pty Ltd
 LH Perry & Son Pty Ltd
 Liberty Oil Corporation Pty Ltd
 Logicoil
 Lowes Petroleum Service
 LV Bodinnar Pty Ltd
 Males Fuel
 Malpass Enterprises Pty Ltd
 Matthews Petroleum Pty Ltd
 Mini-Tankers Pty Ltd
 Mogas Regional
 Neffer
 Pacific Petroleum Products
 Pegasus Aero Fuels Pty Ltd
 Petrogas Pty Ltd
 Puma Energy
 Purtill Petroleum
 Riordan Fuels
 Scotts Agencies Pty Ltd
 South East Petroleum
 Southwest Fuel Centre Pty Ltd
 Stevemacs Bulk
 Tasco Inland
 Temora Fuel Distributors

The Green Goanna Pty Ltd
 The Jack Rabbit Company
 The Shell Company of Australia Ltd
 Townsville Refuelling Service
 Trade Angle
 Tysons Fueling Service Pty Ltd
 Vantage Fuels
 Wessel Petroleum
 Woodham Petroleum Services Pty Ltd
 Xpress Group

Trade Members

Advanced Lighting Technologies Australia Inc
 BOC LNG
 Cadway Projects
 Ceva Logistics
 Commercial Indemnity
 DC Payments
 Elgas Limited
 EMS - Environmental Monitoring Solutions
 Envirotank
 Franklin Fueling Systems
 Fuel Importers Australia Pty Ltd
 Heil Trailer Australia Pty Ltd
 HWL Ebsworth
 Independent Solutions
 Kleenheat Gas
 Lumley Insurance
 Metcash
 Mrs Macs Pies
 Move Yourself Trailer Hire
 New Sunrise
 Next Payments
 OAMPS Insurance Brokers
 Pacific Gauge
 QMetrix
 Ron Finemore Transport
 Shipman King
 The Distributors
 Touchstar
 UCB Stores
 UNIGAS
 Vopak Terminals Sydney Pty Limited

Association Members

Australian Petroleum Industry Contractors and Suppliers Association (APICSA)
 LPG Association (LPGA)
 Australian Car Wash Association (ACWA)
 Canberra and Region Oil Industry Emergency Response Group (CROIERG)

Life Members

Ray Jackson
 Graham Andrewartha
 Bill Hitchen
 Grant Stillman
 Margaret Taylor

ACAPMA – managed by members for members

The Board of Management for ACAPMA for the year 2013-2014 presents this Annual Report

BOARD MEMBERS

- » Philip Molineux, Board President and Board Representative for Victoria
- » Trevor Bayliss, Board Vice President and Board Representative for South Australia
- » Troy Bennett, Board Treasurer and Board Representative for Tasmania
- » David Thomas, Board Representative for Queensland
- » Craig Burrows, Board Representative for Western Australia
- » Wade Death, Board Representative for New South Wales
- » Jeff Griffiths, Board President and Board Representative for Victoria (Retired)

BOARD RESPONSIBILITIES

1. Drive and direct the activity of the Association
2. Oversee the report on the financial position of the Association
3. Identify and respond to industry opportunities, threats and trends that may impact members
4. Strengthen the Association to ensure ongoing service to the industry in the future

BOARD MEETINGS

Throughout 2013-2014 the Board met six times.

- » 31st July 2013 – Teleconference
- » 11th September 2013 – Sydney (CPIC 2013)
- » 04th December 2013 – Sydney
- » 06th January 2014 – Teleconference



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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALASIAN CONVENIENCE AND PETROLEUM MARKETERS ASSOCIATION

Report on the Financial Statements

We have audited the accompanying financial statements of Australasian Convenience and Petroleum Marketers Association (the ACAPMA), which comprises the statement of financial position as at 30 June 2014, and the statement of comprehensive income, statement of changes in members' funds and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the Board.

Board's Responsibility for the Financial Statements

The Board of the ACAPMA is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial statements.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion,

- (i) the financial statements of Australian Convenience and Petroleum Marketers Association: is presented fairly in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Fair Work (Registered Organisations) Act 2009*; and
- (ii) the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Hayes Knight Audit
 Hayes Knight Audit Pty Ltd

Geoff S. Parker
 Geoff S. Parker
 Director

Dated at Melbourne this 30 day of July, 2014

Letter of Management Representations

30th July 2014

Mr G.S. Parker
Hayes Knight Audit Pty Ltd
Level 12, 31 Queen Street
Melbourne Vic 3000

Dear Sir,

Letter of Management Representations

This representation letter is provided in connection with your audit of the financial report of the Australasian Convenience and Petroleum Marketers Association (ACAPMA) for the year ended 30 June 2014 for the purpose of expressing an opinion as to whether the financial report gives a true and fair view in accordance with the Australian Accounting Standards and requirements of the Fair Work (Registered Organisations) Act 2009 (Cwth).

We confirm that *(to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves)*:

Financial Report

- » We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 5 June 2014, for the preparation of the financial report in accordance with Australian Accounting Standards and requirements of the Fair Work (Registered Organisations) Act 2009 (Cwth); in particular the financial report gives a true and fair view in accordance therewith.
- » Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. (ASA 540)
- » Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards. (ASA 550)
- » All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed. (ASA 560)

Information Provided

- » We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- » All transactions have been recorded in the accounting records and are reflected in the financial report.
- » We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud. All transactions have been recorded in the accounting records and are reflected in the financial report.

- » We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud. (ASA 240) All transactions have been recorded in the accounting records and are reflected in the financial report.
- » We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial report. (ASA 240)
- » We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others. (ASA 240)
- » We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report. (ASA 250) We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud. All transactions have been recorded in the accounting records and are reflected in the financial report.
- » We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report; and accounted for and disclosed in accordance with [the applicable financial reporting framework]. (ASA 502)
- » We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. (ASA 550)
- » We have provided you with all requested information, explanations and assistance for the purposes of the audit.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully,



Philip Molineux
National Board President | ACAPMA
30th July 2014

On Wednesday 30th July 2014, the Committee of Management of the Australasian Convenience and Petroleum Marketers Association passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2014.

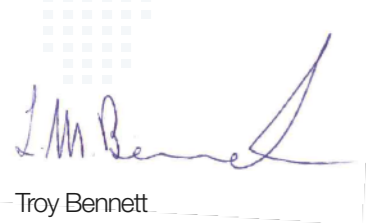
The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager (Fair Work Australia);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) there is only one reporting unit
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) no orders have been made by the commission under Section 273 of the RAO Schedule during the period.

The committee would also like to draw attention to the fact that the financial reports are available to member on request. As per subsection 272 (1), (2) and (3);

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

Yours faithfully



Troy Bennett
Treasurer | ACAPMA
30th July 2014

The Board submit the financial report of the ACAPMA for the financial year ended 30 June 2014

1. General information

DIRECTORS

The names of the members of the board throughout the year and at the date of this report are:

- » Jeffrey Griffiths - Victoria (Retired)
- » Philip Molineux - Victoria (Current)
- » Craig Burrows - Western Australia
- » David Thomas - Queensland
- » Trevor Bayliss - South Australia
- » Troy Bennett - Tasmania
- » Wade Death - New South Wales

PRINCIPAL ACTIVITIES

The principal activities of association during the financial year were:

- » - to represent the interests of its members with the oil companies, state and federal governments, the various regulatory authorities, the unions and the media.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

2. Operating Results and Review of Operations for the Year

OPERATING RESULT

The profit/(loss) of the ACAPMA for the financial year after providing for income tax amounted to \$18,743.

Signed in accordance with a resolution of the Members of the Board:



Philip Molineux
National Board President | ACAPMA
30th July 2014



Troy Bennett
Treasurer | ACAPMA
30th July 2014


In the opinion of the Board the financial report as set out on pages 1 to 24:

1. Presents a true and fair view of the financial position of Australasian Convenience and Petroleum Marketers Association as at 30 June 2014 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Australasian Convenience and Petroleum Marketers Association will be able to pay its debts as and when they fall due.

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



Philip Molineux
National Board President | ACAPMA
30th July 2014



Troy Bennett
Treasurer | ACAPMA
30th July 2014



AS THE VOICE OF THE INDUSTRY, ACAPMA HAS BEEN THE TRUSTED CENTRE OF KNOWLEDGE, ADVOCACY AND INDUSTRY CONNECTIONS FOR THE PETROLEUM DISTRIBUTION AND PETROL CONVENIENCE INDUSTRIES FOR OVER 38 YEARS.

Australasian Convenience and Petroleum Marketers Association

Statement of Comprehensive Income

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Membership subscriptions			
Distributor retail member		233,595	183,774
Trade member		115,500	94,808
Total membership subscriptions		349,095	278,582
Other direct revenue		616,167	1,010,078
Revenue	2	965,262	1,288,660
Direct expense	3(b)	(332,438)	(867,913)
		632,824	420,747
other revenue	2	41,593	48,119
Business admin expenses	3(c)	(55,700)	(68,258)
Office expense	3(c)	(26,396)	(26,579)
Remuneration expense	3(a)	(254,041)	(240,234)
Depreciation and amortisation expense	3(g)	(11,329)	(10,423)
Consulting and professional expense	12	(225,000)	(271,274)
Board expense	3(c)	(43,167)	(32,857)
Secretariat fees	3(c)	(33,484)	(32,061)
Legal expenses	3(h)	(1,557)	(3,717)
Presidents Allowance	3(c)	(5,000)	(5,000)
Total comprehensive income (loss) for the year		18,743	(221,537)

Australasian Convenience and Petroleum Marketers Association

Statement of Financial Position

30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,504,008	1,451,210
Trade and other receivables	5	491,810	110,079
TOTAL CURRENT ASSETS		1,995,818	1,561,289
NON-CURRENT ASSETS			
Property, plant and equipment	6	6,105	7,506
Intangible assets	7	93,745	97,490
TOTAL NON-CURRENT ASSETS		99,850	104,996
TOTAL ASSETS		2,095,668	1,666,285
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	506,224	94,230
Employee benefits	9	31,067	32,421
TOTAL CURRENT LIABILITIES		537,291	126,651
TOTAL LIABILITIES		537,291	126,651
NET ASSETS		1,558,377	1,539,634
MEMBERS' FUNDS			
Retained Surplus		1,558,377	1,539,634
TOTAL MEMBERS' FUNDS		1,558,377	1,539,634

Australasian Convenience and Petroleum Marketers Association

Statement of changes in Members' Funds

For the Year Ended 30 June 2014

	\$
Balance at 1 July 2013	<u>1,539,634</u>
Profit attributable to members of the entity	<u>18,743</u>
Balance at 30 June 2014	<u>1,558,377</u>
	\$
Balance at 1 July 2012	<u>1,761,171</u>
Loss attributable to members of the entity	<u>(221,537)</u>
Balance at 30 June 2013	<u>1,539,634</u>

Australasian Convenience and Petroleum Marketers Association

Cash Flow Statement

For the Year Ended 30 June 2014

	2014	2013
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts from customers	1,004,625	1,452,704
Payments to suppliers	(724,225)	(1,536,340)
Interest received	32,622	46,865
Payment to employees	(254,041)	(229,420)
Net cash provided by (used in) operating activities	<u>58,981</u>	<u>(266,191)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(6,183)</u>	<u>(1,105)</u>
Net cash used by investing activities	<u>(6,183)</u>	<u>(1,105)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase (decrease) in cash and cash equivalents held	52,798	(267,296)
Cash and cash equivalents at beginning of year	<u>1,451,210</u>	<u>1,718,506</u>
Cash and cash equivalents at end of financial year	4 <u>1,504,008</u>	<u>1,451,210</u>

Australasian Convenience and Petroleum Marketers Association

Recovery of Wages Activity

For the Year Ended 30 June 2013

	2014	2013
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
Total Receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total Payments	-	-
Cash assets in respect of recovered money at year end	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payables relates to	-	-
Fund or account operated for recovery of wages:		
N/A	-	-

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

The financial statements cover Australasian Convenience and Petroleum Marketers Association (ACAPMA) as an individual entity. Australasian Convenience and Petroleum Marketers Association is an unincorporated entity registered under the *Fair Work (Registered Organisations) Act 2009*.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are a general purpose financial statements that has been prepared in accordance with Australian Accounting Standards and the *Corporations Act 2001* and the *Fair Work (Registered Organisations) Act 2009*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Comparative Figures

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

(c) Property, Plant and Equipment

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

The carrying amount of plant and equipment is reviewed annually by committee members to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:	
Furniture, Fixtures and Fittings	50-66.6%
Office Equipment	50-66.6%
Computer Equipment	15-30%

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(c) Property, Plant and Equipment continued

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(i) Depreciation - asset carrying amount

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that Association commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(d) Financial Instruments continued

period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

ACAPMA does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is ACAPMA's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period ACAPMA sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

ACAPMA did not hold any held-to-maturity investments in the current or comparative financial year.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(d) Financial Instruments continued

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless ACAPMA has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

Objective evidence that a financial asset is impaired includes default by a debtor, evidence that the debtor is likely to enter bankruptcy or adverse economic conditions in the stock exchange. At the end of each reporting period, Association assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to indicate that an impairment has arisen.

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss.

However, any reversal in the value of an impaired available for sale asset is taken through other comprehensive income rather than profit and loss.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of comprehensive income.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(d) Financial Instruments continued

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

When available-for-sale investments are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(e) Impairment of Assets

At the end of each reporting period, Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(g) Provision for Employee Benefits

Provision is made for ACAPMA's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(h) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by ACAPMA during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Income Tax

The Association is exempt from income tax under the provisions of the Income Tax Assessment Act 1997, Section 50-15.

Fringe benefits tax does apply and is paid as it is incurred.

(j) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

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

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown exclusive of GST.

(l) Critical Accounting Estimates and Judgments

Key judgments - Provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(m) Going concern

The reporting unit's (ACAPMA) ability to continue as a going concern is not reliant on the financial support of another reporting unit.

ACAPMA has not agreed to provide financial support to another reporting unit.

ACAPMA has not acquired an asset or liability as a result of an amalgamation, restructure, determination or revocation under the RO Act.

ACAPMA has not acquired assets or liabilities as a result of a business combination.

(n) Adoption of New and Revised Accounting Standards

During the current year, ACAPMA adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has not impacted on the recognition, measurement and disclosure of any transactions.

(o) Other matters in respect of Fair Work (Registered Organisations) Act 2009

ACAPMA paid no fees or subscriptions in respect to affiliation to any political party, federation, congress, council or group of organisations or any international body having an interest in industrial matters.

ACAPMA does not operate any fund or account in respect to compulsory levies.

ACAPMA rules do not require the operation of any fund or account, and ACAPMA does not operate any such fund or account.

ACAPMA does not operate any fund or account for a specific purpose.

For the balance of the general fund see Statement of Changes in Equity.

ACAPMA's financial affairs are not administered by another entity.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

2 Revenue and Other Income

	2014	2013
	\$	\$
Operating revenue		
Distributor retail member	233,595	183,774
Trade member	115,500	94,808
Commission	140,000	120,000
Conference	171,338	560,613
Training	159,645	79,588
Study tour	68,660	156,000
Government grants	-	1,259
ACAPMAg advertising	40,278	63,336
Website advertising	2,809	1,091
Administration and management fees	29,167	8,404
NDR fees	(291)	15,350
Credit card surcharge	4,561	4,437
Capitation fees	-	-
Compulsory levies or voluntary payments for a particular purpose	-	-
Donations or grants	-	-
	965,262	1,288,660
Other revenue		
Interest income	32,622	46,865
Income from other reporting units	-	-
Other income	8,971	1,255
	41,593	48,120
Total revenue	1,006,855	1,336,780

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

3 Expenses

(a) Employee expenses

	2014	2013
	\$	\$
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Employee expenses holders of office	-	-
Employee other than office holders:		
Wages	230,284	213,427
Superannuation contributions	21,133	15,113
Leave pay provision charge	(5,551)	7,319
Long service leave	4,197	3,495
Separation and redundancies	-	-
Fringe benefit expense attracting FBT	-	-
Staff training	3,227	880
Total employee costs	253,290	240,234

(b) Direct expenses

Cost of conference	99,837	546,923
Cost of national drive-off register	-	13,959
Cost of ACAPMAg	129,514	120,687
Cost of website	2,478	3,479
Cost of study tour	58,352	111,685
Cost of training	42,257	71,180
Total direct expenses	332,438	867,913

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

3 Expenses continued

(c) Administration expenses

	2014	2013
	\$	\$
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Presidents Allowance	5,000	5,000
Business admin expenses	55,700	68,258
Office expense	26,396	26,579
Consulting and professional expense	225,000	271,274
Board expense	43,167	32,857
Secretariat expenses	33,484	32,061
Total administration expenses	388,747	436,029

(d) Capitation fees

Total capitation fees	-	-
------------------------------	---	---

(e) Affiliation fees

Total affiliation fees	-	-
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(f) Grants or donations

Grants	-	-
Donations	-	-
Total grants or donations	-	-

(g) Depreciation and amortisation

Depreciation		
Property, plant and equipment	7,584	6,678
Amortisation		
Intangible assets	3,745	3,745
Total	11,329	10,423

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

3 Expenses continued

(h) Legal costs

	2014	2013
	\$	\$
Litigation	-	-
Other legal matters	1,557	3,717
Total legal costs	1,557	3,717

(i) Other

Bad and doubtful debts		
Penalties - via RO Act or RO regulations	-	-

4 Cash and Cash Equivalents

Cash at bank	1,494,008	1,441,210
Short-term bank deposits	10,000	10,000
Total cash and Cash Equivalents	1,504,008	1,451,210

Cash at bank includes interest at call deposit accounts.

The average effective interest rate on cash and cash equivalents was 2.21% (2013 2.96%); these deposits have an average maturity of 24 hour call.

5 Trade and Other Receivables

Trade receivables	296,215	69,098
Provision for impairment	(12,435)	(12,435)
	283,780	56,663
Receivables from other reporting units	-	-
Less provision for doubtful debts	-	-
Receivable from other reporting units	-	-
Other assets	208,030	53,416
Total current trade and other receivables	491,810	110,079

Trade Receivables comprise delegate fees due in respect of conference to be held in September 2014, trade membership and training fees due from the members of the Association.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

5 Trade and Other Receivables continued

Prepayments amounting to \$195,249 (2013: \$33,019) comprise payments made in respect of the conference to be held in September 2014 and include payments for venue and entertainment. Other prepayments of \$12,781 (2013: \$20,397) relate to insurance and training delivery costs.

(a) Credit risk

ACAPMA has no significant concentration of credit risk with respect to any single counter party or group of counter parties. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to ACAPMA.

The following table details ACAPMA's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, with the terms and conditions agreed between ACAPMA and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to ACAPMA.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Within initial trade terms
	\$	\$	\$
2014			
Trade and term receivables	296,215	12,435	283,780
Other receivables	208,030	-	208,030
Total	<u>504,245</u>	<u>12,435</u>	<u>491,810</u>
2013			
Trade and term receivables	69,098	12,435	56,663
Other receivables	53,416	-	53,416
Total	<u>122,514</u>	<u>12,435</u>	<u>110,079</u>

ACAPMA does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

5 Trade and Other Receivables continued

(b) Financial assets classified as loans and receivables

	2014	2013
	\$	\$
Trade and other receivables		
Trade receivables	296,215	69,098
Provision for impairment	(12,435)	(12,435)
Total Financial assets	<u>283,780</u>	<u>56,663</u>

6 Property, Plant and Equipment

Office equipment

At cost	23,306	17,123
Accumulated depreciation	(17,201)	(9,617)
Total property, plant and equipment	<u>6,105</u>	<u>7,506</u>

(a) Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Office Equipment
	\$
2014	
Balance at 1 July 2013	7,506
Additions	6,183
Disposals - written down value	(14)
Depreciation expense	(7,570)
Carrying amount at 30 June 2014	<u>6,105</u>
2013	
Balance at 1 July 2012	13,079
Additions	1,105
Depreciation expense	(6,678)
Carrying amount at 30 June 2012	<u>7,506</u>

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

7 Intangible Assets

	Training Course Materials	Web Site Design	Total
	\$	\$	\$
Year ended 30 June 2014			
Balance at the beginning of the year	90,000	7,490	97,490
Amortisation	-	(3,745)	(3,745)
Closing value at 30 June 2014	90,000	3,745	93,745

8 Trade and Other Payables

	2014	2013
	\$	\$
Trade payables	10,290	5,776
GST payable	-	58
Sundry payables and accrued expenses	12,976	14,032
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
PAYG payable	-	3,528
Prepaid income	482,958	70,836
	506,224	94,230
Payables to other reporting units	-	-
Sub-total payables to other reporting units	-	-
Total Trade and Other Payables	506,224	94,230

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

9 Provision for Employee Benefits

(a) Employee Provisions

	2014	2013
	\$	\$
Office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Employee provisions - office holders	-	-
Employees other than office holders:		
Annual leave	18,798	24,349
Long service leave	12,269	8,072
Separations and redundancies	-	-
Other	-	-
Employee provisions - employees other than office holders	31,067	32,421
Total	31,067	32,421

(b) Movement in Provision for Employee Benefits

	Annual Leave Provision	Long-service Leave Provision	Total
	\$	\$	\$
Balance at 1 July 2013	24,349	8,072	32,421
Movement	(5,551)	4,197	(1,354)
Balance at 30 June 2014	18,798	12,269	31,067
Balance at 1 July 2012	17,030	4,577	21,607
Movement	7,319	3,495	10,814
Balance at 30 June 2013	24,349	8,072	32,421

10 Commitments

ACAPMA had neither capital nor lease commitments as at 30 June 2014.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

11 Financial Risk Management

ACAPMA's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The Association did not have any derivative instruments at 30 June 2014.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2014 \$	2013 \$
Financial Assets			
Cash and cash equivalents	4	1,504,008	1,451,210
Trade and other receivables	5	283,780	56,662
Total Financial Assets		1,787,788	1,507,872
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	8	506,224	94,230
Provisions for Employee Benefits	9	31,067	32,421
Total Financial Liabilities		537,291	126,651

Financial Risk Management Policies

ACAPMA has no formal risk management policy. However, the Board actively monitors the business and financial risk the Association is exposed to and takes appropriate steps as necessary. ACAPMA does not enter into any market linked or hedging transactions.

Fair Values

In the opinion of Management, the fair values of financial assets and financial liabilities at the balance sheet date approximate the financial statement carrying values.

12 Key Management Personnel Compensation

The aggregate compensation of the General Manager for the year ended 30 June 2014 is \$225,000 (2013:\$225,000) and is included under Consulting and Professional fees in the Statement of Comprehensive Income, as the General Manager is not directly employed by the Association.

Further, allowances in the amount of \$5,000 (2013: \$5,000) paid to or due to the President of the Board

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

12 Key Management Personnel Compensation continued

during the year ended 30 June 2014.

The compensation to key management is determined by the Board having regard to the performance of the individual and the market trend.

13 Auditors' Remuneration

	2014 \$	2013 \$
Remuneration of the auditor of ACAPMA, Hayes Knight Audit Pty Ltd, for: - auditing or reviewing the financial report	8,279	13,400

14 Related Party Transactions

Rennic Pty Limited is the company controlled by the General Manager of the Association. The compensation to the General Manager is paid through Rennic Pty Limited. In addition, travel and other expenses incurred by the General Manager in the management of the Association were compensated to the above company, being an appropriate allocation of the relevant costs of the Association incurred by the General Manager.

No payment was made to a related party in this reporting period that relates to an expense generated in any previous reporting period.

The details of the costs incurred and compensated to Rennic Pty Limited are as follows:

Consulting and professional fees	225,000	225,000
Conference/Seminar costs	2,793	4,119
Printing and stationery	553	378
Marketing and promotion	-	1,284
Travel expenses	31,390	43,503
Other expenses	13,323	8,192
Total	273,059	282,476

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

15 Cash Flow

(a) Cash flow reconciliation

	2014	2013
	\$	\$
Reconciliation of cash and cash equivalents as per the balance sheet to cash flow statement		
Cash and cash equivalents as per:		
Cash flow statement	1,504,008	1,451,210
Balance sheet	1,504,008	1,451,210
Difference	<u>-</u>	<u>-</u>

(b) Cash flow information

Cash inflows		
ACAPMA	1,037,247	1,499,569
Other reporting units	-	-
	<u>1,037,247</u>	<u>1,499,569</u>
Cash outflows		
ACAPMA	984,449	1,766,865
Other reporting units	-	-
	<u>984,449</u>	<u>1,766,865</u>

16 Events After the End of the Reporting Period

There have been no events after the end of the reporting period which would require disclosure in the present financial statements.

Australasian Convenience and Petroleum Marketers Association

Notes to the Financial Statements

For the Year Ended 30 June 2014

17 Association Details

The registered office of the association is:
Australasian Convenience and Petroleum Marketers Association
Level 4, OAMPS Suite
2 - 12 Macquarie St
Parramatta New South Wales 2150

18 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or the General Manager of Fair Work Australia:

(1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

Operating Report for year ended 30 June 2014

The following Operating Report is now required under the new guidelines set under the RAO schedules of the Fair Work (Registered Organisations) Act 2009 (Cwth). It will form the basis of the President's address to be given at ACAPMA's Annual General Meeting.

Membership at 30 June 2014

» Full Distributor Members	80
» Association Members	4
» Trade Members	31
» Life Members	5
» TOTAL	120

ACAPMA Staff

- » General Manager and CEO (Contractor)
- » Manager Association Business & Workplace Relations Manager (Full Time Employee)
- » Government Affairs Advisor & Association Secretary (Full Time Employee)
- » Industry Relationship Manager (Full Time Employee)
- » Communications Manager (Full Time Employee)

ACAPMA Board

- » SA Board Member - 1 of 1 - Office Held: Representative Member & NATIONAL VICE PRESIDENT - Trevor Bayliss
- » NSW Board Member - 1 of 1 - Office Held: Representative Member - Wade Death
- » TAS Board Member - 1 of 1 - Office Held: Representative Member & TREASURER - Troy Bennett
- » QLD Board Member - 1 of 1 - Office Held: Representative Member - David Thomas
- » WA Board Member - 1 of 1 - Office Held: Representative Member - Craig Burrows
- » VIC Board Member - 1 of 1 - Office Held: Representative Member & NATIONAL PRESIDENT - Philip Molineux

Financial position

- » The profit of ACAPMA for the financial year is \$18,743
- » Financial position sound for the coming year - 2014 / 2015 period

Key Activities over the past 12 months

- » Workplace relations support: (on-going & diverse) and includes:
 - Monitoring and disseminating effect of Award Modernisation and Fair Work Commission legislation/regulations in order to provide members with current information.
 - Conducting workplace training for members and their employees.
 - General advice relating to workplace relations issues, including discrimination and occupational health and safety.
 - Advocacy before federal/state tribunals on behalf of members.

- » Negotiating with unions as appropriate.
- » Representing Distributor sector on the numerous State & Federal Government Inquiry working groups:
- » Submissions to and face-to-face discussions with the Federal Government & ACCC on industry issues, particularly in relation to competition in the petroleum distribution and convenience retail marketplace, tobacco legislation, alternative fuels taxation, infrastructure, employment and planning.
- » On-going discussions with the Australian Government Treasury on Tax Reform and Federal Price Board Legislation.
- » Contact with the media, predominately on the concern for small business in regional & rural Australia, as well as the normal discussions on the general issue of fuel pricing and fluctuations.
- » Provision of advice on industry matters to media & government.
- » On-going information exchange with like associations.
- » Increasing involvement with the bio-fuels industry.
- » On-going development of the ACAPMA website.
- » Refresh and expansion of ACAPMAg, Including an audited circulation of 10,970 as at March 2014.
- » Continued Growth and development of the ACAPMAcademy Industry Learning Solutions including Workplace Relations, Risk management and Petroleum Convenience Compliance.
- » International Study Tour to Indonesia, March 2014
- » Active involvement in various State and Federal Police Armed Robbery Forum.
- » Active involvement in the International Standards Organisation's Expert Mirror Committee for a standard to assess Sustainability in Biofuels
- » Development and launch of the ACAPMA Daily TGP Report and development of the ACAPMA Australian Terminal Gate Price powered by OPIS website
- » Continuous Media Interviews on topical safety and consumer concerns
- » Member of the WorkCover NSW LPG and AutoGas Safety Steering Committee
- » Member of the WorkSafe VIC Dangerous Goods and Hazardous Chemicals Forum
- » International Expert on the Standards Australia ISO Mirror Committee for the ISO Standard on Biofuel Sustainability
- » Invited Technical Expert on the Work Place Clearance Group

Right of members to resign (s 143 of the Constitution, as required by s254 of ROA)

- » Any members may resign his membership by notice in writing addressed to the General Manager of the Association, and shall be delivered to him personally or by leaving it in an envelope addressed to the General Manger at the registered office of the Association, or by posting it to the General Manager at the registered office of the Association.

Signed by:



Philip Molineux
National Board President | ACAPMA
30th July 2014

ACAPMA

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Corporate Partners

PLATINUM



GOLD



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SILVER



SILVER



SILVER

