



Ref: FR2004/411-[276V]

Mr Garth Symington
General Manager
Australian Petroleum Agents and
Distributors Association
369 High Street
KEW VIC 3101

Dear Mr Symington

Financial Return - year ending 30 June 2004

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

New legislation

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'¹). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

The key differences under the new legislation affecting financial returns are:

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

¹ Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as “*reporting units*”. Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

Industrial Registrar’s Guidelines

The Industrial Registrar’s reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit’s economic support of, or economic dependency on, other reporting units of the organisation.

Timeline Planner and Checklist

We have attached a Timeline/Planner (*Attachment A*) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (*Attachment B*) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar’s Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor’s Report, comprise the reporting unit’s financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar’s Reporting Guidelines. The GPFR consists of:

- Financial Statements containing:
 - a profit and loss statement, or other operating statement; and
 - a balance sheet; and
 - a statement of cash flows; and
 - any other statements required by the Australian Accounting Standards; and

- Notes to the Financial Statements containing:
 - notes required by the Australian Accounting Standards; and
 - information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and
- Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return for 30 June 2004, please quote the reference number at the beginning of this letter.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Complying with time limits

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed for providing documents to members and holding meetings can be no more than one month.

Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

Contact the Registry

We encourage you to contact the Registry (Ken Ophel on 03 8661 7984), or by e-mail at riateam1@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at www.airc.gov.au:

- RAO Schedule and RAO Regulations
- Registrar's Reporting Guidelines - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- RAO Fact Sheets - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely

Deputy Industrial Registrar
9 August 2004

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
1	General Purpose Financial Report	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
2	Committee of Management Statement	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
3	Auditor's Report	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
4	Operating Report	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
5	Concise report*	
6	Certificate of Secretary or other Authorised Officer	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

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 Industrial Registrar;
- (c) the financial statements and notes give a true and fair view* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the 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) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(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) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

* Where compliance or full compliance has not been attained - set out details of non compliance instead.

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]²*, referred to in s268 of the RAO Schedule; and
- that the *[full report **OR** concise report]³*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]³* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

¹*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²*Only applicable where a concise report is provided to members*

³*Insert whichever is applicable*

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Australian Petroleum Agents
and Distributors Association

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Kew, VIC, 3101
Telephone: (03) 9855 5490
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Email: admin@apada.com.au
www.apada.com.au

21 September 2004

Industrial Registrar
Australian Industrial Registry
Nauru House
80 Collins Street
MELBOURNE VIC 3000



Dear Sir

Financial Return – year ending 30 June 2004

We enclose documentation as required under the legislation for lodgement with your office.

Also enclosed is our completed statement of loans, grants and donations exceeding \$1,000 for the financial year ending 30 June 2004.

We trust this information is in order; however, if there are any queries regarding our documentation, please contact me on (03) 9855 5493 (direct).

Yours sincerely

A handwritten signature in black ink, appearing to read 'G. Symington'.

Garth C Symington
General Manager

Enc:

Certificate of Secretary or other Authorised Officer
s268 of Schedule 1B *Workplace Relations Act 1996*

I, Jeffery Griffiths being the National Vice President of the Australian Petroleum Agents and Distributors Association certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 16 August 2004; and
- That the full report was presented to a general meeting of members on 8 September 2004; in accordance with section 266 of the RAO Schedule.

Signature 

Date 22/9/ 2004.

**AUSTRALIAN PETROLEUM AGENTS AND
DISTRIBUTORS ASSOCIATION**

FINANCIAL REPORT

30 JUNE 2004

Statement of Financial Position

Statement of Financial Performance

Statement of Cash Flows

Notes To and Forming Part of the Financial Report

Accounting Officer's Certificate

Board of Management Certificate

Auditor's Report

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2004**

	NOTE	2004	2003
		\$	\$
CURRENT ASSETS			
Cash	7	873,798	760,180
Receivables	8	16,289	9,808
Investments	9	144,159	140,958
TOTAL CURRENT ASSETS		<u>1,034,246</u>	<u>910,946</u>
NON-CURRENT ASSETS			
Plant & Equipment	10	3,588	9,817
TOTAL NON-CURRENT ASSETS		<u>3,588</u>	<u>9,817</u>
TOTAL ASSETS		<u>1,037,834</u>	<u>920,763</u>
CURRENT LIABILITIES			
Accounts Payable	11	20,484	21,332
Provisions	12	374,370	364,540
Other	13	161,646	92,745
TOTAL CURRENT LIABILITIES		<u>556,500</u>	<u>478,617</u>
NON-CURRENT LIABILITIES			
Provision	12	7,284	6,008
TOTAL NON-CURRENT LIABILITIES		<u>7,284</u>	<u>6,008</u>
TOTAL LIABILITIES		563,784	484,625
NET ASSETS		<u>474,050</u>	<u>436,138</u>
MEMBERS' FUNDS			
Profit (Loss) for the year		37,912	84,874
Retained Surplus		275,553	190,679
Member Reserve		160,585	160,585
TOTAL MEMBERS' FUNDS		<u>474,050</u>	<u>436,138</u>

The accompanying notes form part of this financial report.

**AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

	NOTE	2004 \$	2003 \$
INCOME			
Members' Fees	2	222,575	218,450
Interest Received		34,772	31,546
Commission Received	3	100,000	100,000
Business Partner Program		5,000	2,000
Other Income	4	3,055	5,862
Convention Income		44,312	37,351
Training Courses		9,567	12,677
Dividends		45,129	38,613
Emergency Response		44,368	16,618
TOTAL INCOME		<u>508,778</u>	<u>463,117</u>
EXPENDITURE			
Aboveground Guidelines		4,340	-
Accounting & Audit		6,400	6,250
Convention Expenses		42,459	27,202
Depreciation		3,038	2,769
Emergency Response		39,430	13,180
Entertainment - FBT		1,923	2,148
Entertainment - Non FBT		1,033	753
Fringe Benefits Tax		697	1,063
Legal Costs		11,907	4,500
Loss on Disposal of Fixed Assets		3,191	-
Marketing & Promotion		11,758	6,684
Meeting Costs	5	20,515	8,067
Office Expenses	6	44,017	36,145
President's Allowance		3,000	3,000
Professional Advice		3,450	2,179
Rent		24,000	27,168
Rollover Tanker		38	400
Salaries & Wages - employees		140,117	132,998
Staff Superannuation		69,585	69,450
Staff Training		1,220	1,980
Subscriptions & References		5,559	5,378
Training Expenses		7,006	11,032
Travel & Accommodation		26,181	15,897
TOTAL OPERATING EXPENDITURE		<u>470,866</u>	<u>378,243</u>
NET PROFIT/(LOSS)		<u>37,912</u>	<u>84,874</u>

The accompanying notes form part of this financial report.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004**

	NOTE	2004 \$	2003 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		281,725	218,450
Interest received		34,772	31,546
Dividends Received		45,129	38,613
Commission Received		100,000	100,000
Other Income received		99,821	81,283
Payments to suppliers and employees		(447,937)	(387,495)
Net cash provided by/(used in) operating Activities	16(b)	<u>113,510</u>	<u>82,397</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Investments		(3,201)	-
Payment for Property, Plant and Equipment		-	(5,900)
Net cash used in investing activities		<u>(3,201)</u>	<u>(5,900)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest Received		3,309	4,757
Payment of Fidelity Fund Outgoings		-	(108,076)
Net cash provided by/(used in) Financing Activities		<u>3,309</u>	<u>(103,319)</u>
Net increase/(decrease) in cash held		113,618	(26,822)
Cash at beginning of financial year		760,180	787,002
Cash at end of financial year	16(a)	<u>873,798</u>	<u>760,180</u>

The accompanying notes form part of this financial report.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2004

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the requirements of the Associations Incorporations Act 1981 Vic. The financial report has also been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report.

(a) *Income Tax*

No provision for income tax is necessary as 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.

(b) *Fixed Assets*

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:-

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Computers	20%
Furniture, Fittings and Office Equipment	20%

The carrying amount of fixed assets is reviewed annually by committee members to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining the recoverable amounts.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2004

NOTE 1: STATEMENT OF ACCOUNTING POLICIES (continued)

(c) *Employee Entitlements*

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year, together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(d) *Cash*

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(e) *Shares - OAMPS Ltd*

At the balance sheet date, APADA holds 323,110 shares (2003: 257,421) in OAMPS Ltd., a corporation listed on the Australian Stock Exchange. During the year, 1,067 shares were purchased and a 1 for 4 bonus issue was made in November 2003.

The shares are disclosed in the balance sheet at officer's valuation.

(f) *Adoption of Australian Equivalents to International Financial Reporting Standards*

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The economic entity's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. We will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The Board of Management are of the opinion that there are no key differences in the association's accounting policies, which will arise from the adoption of IFRS.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

	2004	2003
	\$	\$
NOTE 2: MEMBERS FEES		
Full Members Fees - Victoria	43,000	44,650
- New South Wales	68,205	65,950
- Queensland	44,500	37,000
- Western Australia	27,050	27,150
- Tasmania	11,450	11,450
- South Australia / NT	22,100	22,600
Associates Fees	-	750
Subscriber Members	4,170	4,200
Trade Subscriptions	2,100	4,700
	<u>222,575</u>	<u>218,450</u>
NOTE 3: COMMISSION RECEIVED		
Commission – OAMPS	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
NOTE 4: OTHER INCOME		
Advertising Income	364	987
Advice Service	-	275
Sundry Income	505	2,100
Seminar	2,186	2,500
	<u>3,055</u>	<u>5,862</u>
NOTE 5: MEETING COSTS		
(Including travel & accommodation)		
Regional	698	242
National Board	19,817	7,825
	<u>20,515</u>	<u>8,067</u>

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

	2004	2003
	\$	\$
NOTE 6: OFFICE EXPENSES		
Bank Charges	4,210	2,767
Casual Labour	7,236	6,670
Car Parking	1,008	924
General Expenses	1,968	458
Insurance	8,135	6,721
Internet	988	1,129
Lease Costs	-	1,053
Management Charges	427	520
Membership Fees	909	36
Postage & Couriers	3,789	2,603
Printing & Stationery	3,232	5,318
Staff Amenities	260	275
Seminars	3,360	705
Telephone & Fax	5,890	4,853
WorkCover	2,605	2,113
	<u>44,017</u>	<u>36,145</u>

NOTE 7: CASH

Cash at Bank - BT	829,087	687,249
Cash at Bank - NAB	44,514	72,853
Petty Cash	197	78
	<u>873,798</u>	<u>760,180</u>

NOTE 8: RECEIVABLES

CURRENT

Commission Receivable	8,333	8,333
Other Receivables	7,956	1,475
	<u>16,289</u>	<u>9,808</u>

NOTE 9: INVESTMENTS

CURRENT

Investments in OAMPS Ltd Shares		
At Officers Valuation	144,159	140,958
(Market Value 2004 - \$975,792 (based on \$3.02 per share), 2003 - \$761,966)		
	<u>144,159</u>	<u>140,958</u>

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

	2004 \$	2003 \$
NOTE 10: PLANT & EQUIPMENT		
Furniture, Fittings and Office Equipment at cost	8,072	15,517
Less: Accumulated Depreciation	(4,484)	(5,700)
	<u>3,588</u>	<u>9,817</u>
NOTE 11: ACCOUNTS PAYABLE		
Trade Creditors	20,484	21,332
	<u>20,484</u>	<u>21,332</u>
NOTE 12: PROVISIONS		
CURRENT		
Holiday Pay	11,242	12,852
Long Service Leave	36,495	28,364
Fidelity Fund Contributions and Future Programs	326,633	323,324
	<u>374,370</u>	<u>364,540</u>
NON CURRENT		
Long Service Leave	<u>7,284</u>	<u>6,008</u>
NOTE 13: OTHER LIABILITIES		
CURRENT		
Accrued expenses	27,096	17,345
Subscriptions in advance	134,550	75,400
	<u>161,646</u>	<u>92,745</u>
NOTE 14: PROVISION FOR FIDELITY FUND AND FUTURE CONTRIBUTIONS		
Balance at 1 July 2003	323,324	426,643
Interest earned	3,309	4,757
Refund of contributions	-	(108,076)
Balance at 30 June 2004	<u>326,633</u>	<u>323,324</u>

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2004

NOTE 15: APADA FIDELITY FUND

The Apada (1988) Fidelity Trust ("the Trust") was terminated on 1 March 1999 and at that date APADA reviewed outstanding and potential claims against the Trust and set aside a sum of \$250,000 to cover these claims.

The quantum of eventual payment is ultimately dependent upon the establishment of the claim and the discretion of APADA as to the amount to be paid.

During the year ended 30 June 2004 no claims were registered.

At the date of this report APADA is not presently obligated to make any payments, and as such they are not brought to account.

	2004 \$	2003 \$
NOTE 16: NOTES TO THE STATEMENT OF CASH FLOWS		
(a) Reconciliation of Cash		
Cash at the end of the year is shown in the balance sheet as:		
Cash at bank - BT	829,087	687,249
Cash at bank - NAB	44,514	72,853
Petty Cash	197	78
	<u>873,798</u>	<u>760,180</u>

(b) Reconciliation of net cash provided by operating activities to Operating Profit/(Loss)

Operating Profit/(Loss)	37,912	84,874
Non-cash flows in operating profit/(loss)		
Depreciation	3,038	2,769
Loss on disposal of fixed assets	3,191	-
Changes in assets and liabilities		
(Increase)/decrease in receivables	(6,481)	6,775
(Decrease)/Increase in accounts payable	(848)	(5,182)
(Decrease)/Increase in employee provisions	7,797	6,824
(Decrease)/Increase in other liabilities	68,901	(13,663)
Net cash provided by/(used in) operating activities	<u>113,510</u>	<u>82,397</u>

(c) The Association has no credit stand-by or financing facilities in place.

(d) There were no non-cash financing or investing activities during the year.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2004

NOTE 17: PRESCRIBED INFORMATION NOTICE

- (1) A member of APADA, or a Registrar, may apply for specified prescribed information in relation to the organisation.
- (2) APADA shall, on application made by a member or a Registrar, make the specified information available in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make application at the request of a member of APADA, and the Registrar shall provide to the member information received because of an application made at the request of the member.

NOTE 18: SEGMENT REPORTING

The Association operates in the petroleum sector, promoting and defending the interests of petroleum agents and distributors with the government, media and various organisations within Australia.

**AUDITORS' REPORT TO MEMBERS OF
AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION
30 JUNE 2004**

Scope

We have audited the financial report of Australian Petroleum Agents and Distributors Association set out on pages 1 to 10 for the year ended 30 June 2004. The Board of Management is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the valuation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material aspects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional requirements so as to present a view which is consistent with our understanding of the association's financial position, the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion,

- a) The organisation maintained satisfactory accounting records in the financial year ended 30 June 2004 including:
 - i) records of the sources and nature of the income of the organisation (including income from members); and
 - ii) records of the nature and purposes of the expenditure of the organisation; and
- b) the financial report prepared under section 273 of the Workplace Relations Act 1996 were properly drawn up so as to give a true and fair view of:
 - i) the financial affairs of the organisation as at the end of the year; and
 - ii) the income and expenditure, and any surplus or deficit, of the organisation for the year; and
- c) the information and explanations that, under section 276(2) of the Workplace Relations Act 1996, officers, or employees of the organisation were required to provide, were provided.

Inpact McDonald Carter

INPACT McDonald Carter
Chartered Accountants

Geoff Parker
Geoff Parker
Partner

Dated at Melbourne this 9 day of August, 2004

Board of Management's Certificate
For the year ended
30 June 2004.

In pursuance of the provisions of Regulation 109(1)(b) under the Workplace Relations Act 1996, we Robert Perry and Roy Little, being members of the Board of Management of the Australian Petroleum Agents and Distributors Association, do state on behalf of the Board, and in accordance with a resolution passed by the Board, that:

- i) in the opinion of the board of Management, the financial statements as attached show a true and fair view of the Association as at 30 June 2004;
- ii) in the opinion of the Board of Management, the meetings of the Board were held in accordance with the Constitution of the organisation;
- iii) to the knowledge of any member of the Board, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under sub-section 274(2) of the Workplace Relations Act 1996) or copies of the Constitution of the organisation have not been furnished, or made available, to members in accordance with the requirements of the Act, the Regulations thereto, or the constitution of the organisation;
- iv) the organisation has, in relation to the report prepared in accordance with section 276 of the Act by the auditor in respect of the financial year immediately proceeding the financial year to which the financial report relates (30 June 2004) and in relation to any accounts and statements prepared in accordance with sub-section 273(1) of the Act to which that report relates, complied with the provision of sub-section 279(1) and (6) of the Act.

R Perry
National President

R. Little
Treasurer



Dated this 9th day of August, 2004.

Accounting Officer's Certificate
For the year ended
30 June 2004

I, Roy Little, being the Officer responsible for keeping the accounting records of the Australian Petroleum Agents and Distributors Association, certify that as at 30 June 2004 the number of members of the organisation was 140.

In my opinion,

- i) the attached financial report show a true and fair view of the financial affairs of the organisation as at 30 June 2004;
- ii) a record has been kept of all moneys paid by, or collected from, members of the organisation, and all moneys so paid or collected have been credited to the bank account or accounts to which those moneys are to be credited, in accordance with the Constitution of the organisation;
- iii) before any expenditure was incurred, approval of the incurring of the expenditure was obtained in accordance with the Constitution of the organisation;
- iv) with regard to funds of the organisation raised by compulsory levy or voluntary contributions from members, or funds other than the General Fund operated in accordance with the Constitution, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- v) all financial benefits granted to persons holding office were authorised in accordance with the Constitution of the organisation;
- vi) the register of members of the organisation was maintained in accordance with the Workplace Relations Act 1996.

Roy Little
Treasurer



Dated this *9th* day of *August*, 2004.

**Minutes of teleconference meeting of APADA National Board of Management
convened 3 August 2004.**

Present:

R Perry	South Australia (Chair)
J Griffiths	Victoria
R Little	Western Australia
P Molineux	Tasmania
G Gough	

G Symington General Manager

Apologies:

J Clark
M Taylor

Business discussed:

In discussion to the year end accounts, it was **RESOLVED** that, in the opinion of the Board:

1. The financial accounts of the Association, as presented, were a true and fair view of the financial affairs of the organisation for the period ended 30 June 2004;
2. Meetings of the Board were held in accordance with the Constitution of the organisation;
3. To the knowledge of any member of the Board, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation in accordance with the *Workplace Relations Act 1996* or copies of those records or other documents, or copies of the Constitution of the organisation have not been furnished, or made available, to members in accordance with the requirements of the Act, the Regulations thereto, or the Constitution of the organisation;
4. The organisation has, in relation to the report contained in accordance with the Act by the auditor in respect of the immediately preceding financial year, that is, the year ended 30 June 2003, and in relation to any accounts and statements prepared in accordance with the appropriate sections of the Act to which the report relates, complied with the provisions of the relevant sections of the legislation.

Meeting closed.



Australian Government
Australian Industrial Registry

Level 36, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401

Mr Garth Symington
General Manager
Australian Petroleum Agents
and Distributors Association
369 High Street
Kew Vic 3101

Dear Mr Symington,

**Re: Australian Petroleum Agents and Distributors Association
Schedule 1B of the *Workplace Relations Act 1996* (the RAO Schedule)
Financial reports for year ended 30 June 2004 - FR2004/411**

I have received the financial reports of Australian Petroleum Agents and Distributors Association for the year ended 30 June 2004. The documents were lodged in the Industrial Registry on 24 September 2004.

On 8 May 2003 the Industrial Registrar wrote to all organisations and provided a number of fact sheets covering various aspects of the RAO Schedule. The letter and fact sheets indicated there would be substantial changes to financial reporting requirements and that the RAO Schedule would apply to a financial year that commences on or after the commencement of the reporting guidelines.¹

The Industrial Registrar then wrote to all organisations on 7 July 2003 advising that he had issued reporting guidelines to apply to each financial year that starts on or after 1 July 2003.

An examination of the reports lodged reveal that with the exception of the Vice Presidents Secretary Certificate, they have been prepared under the former provisions of the *Workplace Relations Act 1996*. The Industrial Registry cannot accept financial reports, which have been lodged without any regard to the RAO Schedule.

Your organisation is now requested to prepare, audit, supply to members, present to a meeting and lodge in the Industrial Registry financial reports in accordance with the RAO Schedule.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the RAO Schedule, please contact me on (03) 8661 7988 or email: lynette.markovski@air.gov.au.

Yours sincerely,

A handwritten signature in cursive script that reads "L. Markovski".

Lynette Markovski
Statutory Services Branch

17 November 2004

¹ Fact Sheet No. 06/2003 7 May 2003, Australian Industrial Registry, *Accounting, Auditing and Reporting Obligations*.

FK 2004 / 411



Australian Petroleum Agents
and Distributors Association

28 January 2005

369 High Street,
Kew, VIC, 3101
Telephone: (03) 9855 5490
Facsimile: (03) 9855 5494
Email: admin@apada.com.au
www.apada.com.au

Industrial Registrar
Australian Industrial Registry
Nauru House
80 Collins Street
Melbourne VIC 3000

Attention: Ms Lynette Markovski

Dear Ms Markovski

Financial Reports for year ended 30 June 2004

Further to our submission to you on 21 September 2004, your subsequent letter of 17 November and our telephone conversations on the issues relating to our initial submission, we now enclose the reworked documentation in accordance with the ROA Schedule.

The Financial Reports have been supplied to and presented to members.

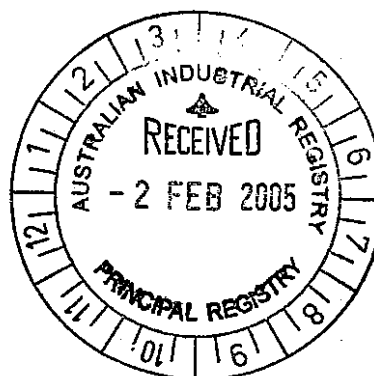
We have spent considerable time with our accountants, and trust this information is now in order.

Please contact me on (030 9855 5493 (direct) if there are any queries.

Yours sincerely

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

Garth C Symington
General Manager



**AUSTRALIAN PETROLEUM AGENTS AND
DISTRIBUTORS ASSOCIATION**

FINANCIAL REPORT

30 JUNE 2004

Committee / Director's Report

Statement of Financial Performance

Statement of Financial Position

Statement of Cash Flows

Notes To and Forming Part of the Financial Report

Auditor's Report

Committee of Management Statement

Certificate of Secretary

Operating Report

Australian Petroleum Agents and Distributors Association

For year ended 30 June 2004

Directors Report

Your directors submit the financial report of the Australian Petroleum Agents and Distributors Association for the financial year ended 30 June 2004

Directors

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

Robert Perry – South Australia
Jeffrey Griffith – Victoria
Roy Little – Western Australia
Graeme Gough – New South Wales
Philip Molineux – Tasmania
Jim Kirk – Queensland. (1 July '03 to 30 September '03)
John Clark – Queensland (from November '03)

Principal Activities

The principal activities of the 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 to the nature of these activities occurred during the year.

Operating Result

The profit from ordinary activities after providing for income tax amounted to **\$37,912.00**

Signed in accordance with a resolution of the members of the Board.



Robert Perry – President



Roy Little – Treasurer

Dated this 8th day of Dec 2004

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

	NOTE	2004 \$	2003 \$
Revenues from ordinary activities	2	508,778	463,117
Employee benefits expense		(217,928)	(215,460)
Administration costs		(126,927)	(99,619)
Member services		(43,770)	(13,180)
Convention expenses		(42,459)	(27,202)
Other expenses		(33,553)	(20,013)
Depreciation and amortisation expenses		(3,038)	(2,769)
Loss on disposal of fixed assets		(3,191)	-
Total changes in equity of the association		<u>470,866</u>	<u>378,243</u>

The accompanying notes form part of this financial report.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2004**

	NOTE	2004 \$	2003 \$
CURRENT ASSETS			
Cash	4	873,798	760,180
Receivables	5	16,289	9,808
Investments	6	144,159	140,958
TOTAL CURRENT ASSETS		<u>1,034,246</u>	<u>910,946</u>
NON-CURRENT ASSETS			
Plant & Equipment	7	3,588	9,817
TOTAL NON-CURRENT ASSETS		<u>3,588</u>	<u>9,817</u>
TOTAL ASSETS		<u>1,037,834</u>	<u>920,763</u>
CURRENT LIABILITIES			
Accounts Payable	8	20,484	21,332
Provisions	9	374,370	364,540
Other	10	161,646	92,745
TOTAL CURRENT LIABILITIES		<u>556,500</u>	<u>478,617</u>
NON-CURRENT LIABILITIES			
Provision	9	7,284	6,008
TOTAL NON-CURRENT LIABILITIES		<u>7,284</u>	<u>6,008</u>
TOTAL LIABILITIES		563,784	484,625
NET ASSETS		<u>474,050</u>	<u>436,138</u>
MEMBERS' FUNDS			
Profit (Loss) for the year		37,912	84,874
Retained Surplus		275,553	190,679
Member Reserve		160,585	160,585
TOTAL MEMBERS' FUNDS		<u>474,050</u>	<u>436,138</u>

The accompanying notes form part of this financial report.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004**

	NOTE	2004 \$	2003 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		281,725	218,450
Interest received		34,772	31,546
Dividends Received		45,129	38,613
Commission Received		100,000	100,000
Other Income received		99,821	81,283
Payments to suppliers and employees		(447,937)	(387,495)
Net cash provided by/(used in) operating Activities	13(b)	<u>113,510</u>	<u>82,397</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Investments		(3,201)	-
Payment for Property, Plant and Equipment		-	(5,900)
Net cash used in investing activities		<u>(3,201)</u>	<u>(5,900)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest Received		3,309	4,757
Payment of Fidelity Fund Outgoings		-	(108,076)
Net cash provided by/(used in) Financing Activities		<u>3,309</u>	<u>(103,319)</u>
Net increase/(decrease) in cash held		113,618	(26,822)
Cash at beginning of financial year		760,180	787,002
Cash at end of financial year	13(a)	<u>873,798</u>	<u>760,180</u>

The accompanying notes form part of this financial report.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2004

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views). The financial report has also been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report.

(a) *Income Tax*

No provision for income tax is necessary as 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.

(b) *Fixed Assets*

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:-

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Computers	20%
Furniture, Fittings and Office Equipment	20%

The carrying amount of fixed assets is reviewed annually by committee members to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining the recoverable amounts.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2004

NOTE 1: STATEMENT OF ACCOUNTING POLICIES (continued)

(c) *Employee Entitlements*

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year, together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(d) *Cash*

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(e) *Shares - OAMPS Ltd*

At the balance sheet date, APADA holds 323,110 shares (2003: 257,421) in OAMPS Ltd., a corporation listed on the Australian Stock Exchange. During the year, 1,067 shares were purchased and a 1 for 4 bonus issue was made in November 2003.

The shares are disclosed in the balance sheet at officer's valuation.

(f) *Adoption of Australian Equivalents to International Financial Reporting Standards*

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The economic entity's management, along with its auditors, are assessing the significance of these changes and preparing for their implementation. We will seek to keep stakeholders informed as to the impact of these new standards as they are finalised.

The Board of Management are of the opinion that there are no key differences in the association's accounting policies, which will arise from the adoption of IFRS.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

	2004	2003
	\$	\$
NOTE 2: REVENUE		
Operating activities		
- Members Fees	222,575	218,450
- Interest Received	34,772	31,546
- Commission Received	100,000	100,000
- Business Partner program	5,000	2,000
- Other Income	3,055	5,862
- Convention Income	44,312	37,351
- Training Courses	9,567	12,677
- Dividends	45,129	38,613
- Emergency Response	44,368	16,618
 Total Revenue	<u>508,778</u>	<u>463,117</u>

**NOTE 3: PROFIT FROM ORDINARY
ACTIVITIES**

Profit from ordinary activities has been determined after:

- Depreciation	3,038	2,769
- Remuneration of auditor		
- audit or review services	5,800	5,000
- other services	600	1,250
Total remuneration	<u>6,400</u>	<u>6,250</u>
 Rental expense	24,000	27,168

NOTE 4: CASH

Cash at Bank - BT	829,087	687,249
Cash at Bank - NAB	44,514	72,853
Petty Cash	197	78
	<u>873,798</u>	<u>760,180</u>

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2004

	2004 \$	2003 \$
NOTE 5: RECEIVABLES		
CURRENT		
Commission Receivable	8,333	8,333
Other Receivables	7,956	1,475
	<u>16,289</u>	<u>9,808</u>
NOTE 6: INVESTMENTS		
CURRENT		
Investments in OAMPS Ltd Shares		
At Officers Valuation	144,159	140,958
(Market Value 2004 - \$975,792 (based on \$3.02 per share), 2003 - \$761,966)		
	<u>144,159</u>	<u>140,958</u>
NOTE 7: PLANT & EQUIPMENT		
Furniture, Fittings and Office Equipment at cost	8,072	15,517
Less: Accumulated Depreciation	(4,484)	(5,700)
	<u>3,588</u>	<u>9,817</u>
NOTE 8: ACCOUNTS PAYABLE		
Trade Creditors	20,484	21,322
	<u>20,484</u>	<u>21,322</u>
NOTE 9: PROVISIONS		
CURRENT		
Holiday Pay	11,242	12,852
Long Service Leave	36,495	28,364
Fidelity Fund Contributions and Future Programs	326,633	323,324
	<u>374,370</u>	<u>364,540</u>
NON CURRENT		
Long Service Leave	<u>7,284</u>	<u>6,008</u>

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

	2004	2003
	\$	\$
NOTE 10: OTHER LIABILITIES		
CURRENT		
Accrued expenses	27,096	17,345
Subscriptions in advance	134,550	75,400
	<u>161,646</u>	<u>92,745</u>

**NOTE 11: PROVISION FOR FIDELITY
FUND AND FUTURE CONTRIBUTIONS**

Balance at 1 July 2003	323,324	426,643
Interest earned	3,309	4,757
Refund of contributions	-	(108,076)
Balance at 30 June 2004	<u>326,633</u>	<u>323,324</u>

NOTE 12: APADA FIDELITY FUND

The Apada (1988) Fidelity Trust ("the Trust") was terminated on 1 March 1999 and at that date APADA reviewed outstanding and potential claims against the Trust and set aside a sum of \$250,000 to cover these claims.

The quantum of eventual payment is ultimately dependent upon the establishment of the claim and the discretion of APADA as to the amount to be paid.

During the year ended 30 June 2004 no claims were registered.

At the date of this report APADA is not presently obligated to make any payments, and as such they are not brought to account.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

2004 **2003**
\$ \$

NOTE 13: NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

Cash at the end of the year is shown in the balance sheet as:

Cash at bank - BT	829,087	687,249
Cash at bank - NAB	44,514	72,853
Petty Cash	197	78
	873,798	760,180

(b) Reconciliation of net cash provided by operating activities to Operating Profit/(Loss)

Operating Profit/(Loss)	37,912	84,874
Non-cash flows in operating profit/(loss)		
Depreciation	3,038	2,769
Loss on disposal of fixed assets	3,191	-
Changes in assets and liabilities		
(Increase)/decrease in receivables	(6,481)	6,775
(Decrease)/Increase in accounts payable	(848)	(5,182)
(Decrease)/Increase in employee provisions	7,797	6,824
(Decrease)/Increase in other liabilities	68,901	(13,663)
Net cash provided by/(used in) operating activities	113,510	82,397

(c) The Association has no credit stand-by or financing facilities in place.

(d) There were no non-cash financing or investing activities during the year.

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

NOTE 14: PRESCRIBED INFORMATION NOTICE

- (1) A member of APADA, or a Registrar, may apply for specified prescribed information in relation to the organisation.
- (2) APADA shall, on application made by a member or a Registrar, make the specified information available in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make application at the request of a member of APADA, and the Registrar shall provide to the member information received because of an application made at the request of the member.

NOTE 15: SEGMENT REPORTING

The Association operates in the petroleum sector, promoting and defending the interests of petroleum agents and distributors with the government, media and various organisations within Australia.



**AUDITORS' REPORT TO MEMBERS OF
AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION**

30 JUNE 2004

Scope

The financial report and committee's responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the statement by members of the board of management for Australian Petroleum Agents and Distributors Association. (the association), for the year ended 30 June 2004.

The board of the association is responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards and the Workplace Relations Act 1996, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

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

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

Scope

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of Australian Petroleum Agents and Distributors Association presents a true and fair view in accordance with applicable Accounting Standards, the Workplace Relations Act 1996 and other mandatory professional reporting requirements in Australia, the financial position of Australian Petroleum Agents and Distributors Association as at 30 June 2004, and the results of its operations and its cash flows for the year then ended.

Inpact McDonald Carter

INPACT McDonald Carter
Chartered Accountants



Geoff Parker
Partner

Dated at Melbourne this *8* day of *December*, 2004

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

ADDITIONAL INFORMATION FOR MEMBERS

INCOME & EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2004

	NOTE	2004 \$	2003 \$
INCOME			
Members' Fees	A	222,575	218,450
Interest Received		34,772	31,546
Commission Received	B	100,000	100,000
Business Partner Program		5,000	2,000
Other Income	C	3,055	5,862
Convention Income		44,312	37,351
Training Courses		9,567	12,677
Dividends		45,129	38,613
Emergency Response		44,368	16,618
TOTAL INCOME		<u>508,778</u>	<u>463,117</u>
EXPENDITURE			
Aboveground Guidelines		4,340	-
Accounting & Audit		6,400	6,250
Convention Expenses		42,459	27,202
Depreciation		3,038	2,769
Emergency Response		39,430	13,180
Entertainment - FBT		1,923	2,148
Entertainment - Non FBT		1,033	753
Fringe Benefits Tax		697	1,063
Legal Costs		11,907	4,500
Loss on Disposal of Fixed Assets		3,191	-
Marketing & Promotion		11,758	6,684
Meeting Costs	D	20,515	8,067
Office Expenses	E	44,017	36,145
President's Allowance		3,000	3,000
Professional Advice		3,450	2,179
Rent		24,000	27,168
Rollover Tanker		38	400
Salaries & Wages - employees		140,117	132,998
Staff Superannuation		69,585	69,450
Staff Training		1,220	1,980
Subscriptions & References		5,559	5,378
Training Expenses		7,006	11,032
Travel & Accommodation		26,183	15,897
TOTAL OPERATING EXPENDITURE		<u>470,866</u>	<u>378,243</u>
NET PROFIT/(LOSS)		<u>37,912</u>	<u>84,874</u>

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2004**

	2004	2003
	\$	\$
Note A: MEMBERS FEES		
Full Members Fees - Victoria	43,000	44,650
- New South Wales	68,205	65,950
- Queensland	44,500	37,000
- Western Australia	27,050	27,150
- Tasmania	11,450	11,450
- South Australia / NT	22,100	22,600
Associates Fees	-	750
Subscriber Members	4,170	4,200
Trade Subscriptions	2,100	4,700
	<u>222,575</u>	<u>218,450</u>
Note B: COMMISSION RECEIVED		
Commission -- OAMPS	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
Note C: OTHER INCOME		
Advertising Income	364	987
Advice Service	-	275
Sundry Income	505	2,100
Seminar	2,186	2,500
	<u>3,055</u>	<u>5,862</u>
Note D: MEETING COSTS		
(Including travel & accommodation)		
Regional	698	242
National Board	19,817	7,825
	<u>20,515</u>	<u>8,067</u>

AUSTRALIAN PETROLEUM AGENTS AND DISTRIBUTORS ASSOCIATION

**INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2004**

Note E: OFFICE EXPENSES

Bank Charges	4,210	2,767
Casual Labour	7,236	6,670
Car Parking	1,008	924
General Expenses	1,968	458
Insurance	8,135	6,721
Internet	988	1,129
Lease Costs	-	1,053
Management Charges	427	520
Membership Fees	909	36
Postage & Couriers	3,789	2,603
Printing & Stationery	3,232	5,318
Staff Amenities	260	275
Seminars	3,360	705
Telephone & Fax	5,890	4,853
WorkCover	2,605	2,113
	<u>44,017</u>	<u>36,145</u>

Committee of Management Statement

On 3 August 2004 the Committee of Management of the Australian Petroleum Agents & Distributors 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 2004.

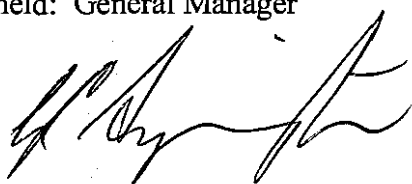
The Committee of Management declares in relation to the GPFR that in its opinion:

- (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 Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the 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.

For Committee of Management: Garth Campbell Symington

Title of Office held: General Manager

Signature:



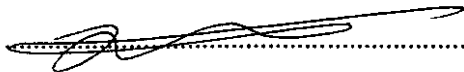
Date: 8 December 2004

Certificate of Secretary or other Authorised Officer
s268 of Schedule 1B *Workplace Relations Act 1996*

I, Jeffery Griffiths being the National Vice President of the Australian Petroleum Agents and Distributors Association certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 16 August 2004; and
- That the full report was presented to a general meeting of members on 8 September 2004; in accordance with section 266 of the RAO Schedule.

Signature


.....

Date

8 / 12 / 2004

Australian Petroleum Agents & Distributors Association

OPERATING REPORT – For year ended 30 June 2004

The following Operating Report is now required under the new guidelines set under the RAO schedules of the Workplace Relations Act 1996. It formalises the Presidents address given at APADA's Annual General Meeting.

Membership at 30 June 2004.

Full Distributor Members	108	* Total includes 4 new Full Members
Associate Members	10	
Business Partners	5	
Trade Members	13	
Life Members	3	

	139	

APADA Staff. 3

General Manager
Workplace Relations Mgr
Membership / Admin Asst

APADA Board

Rob Perry
Jeffrey Griffith
Roy Little
Graeme Gough
John Clark
Philip Molineux

Financial position

- Positive result for 2003 / 2004 - \$37,912.00 (Net Profit)
- Financial position sound for the coming year - 2003 / 2005 period

Key Activities over the past 12 months.

- Workplace relations support: (on-going & diverse) and includes:
 - Negotiations with unions – dispute resolutions, agreement making, award variations (TWU and NUW)
 - Advocacy before federal and state tribunals defending unfair dismissal and anti-discrimination claims.
 - General advice provided on a range of workplace issues to assist members and their staff including understanding award implications and legislation.
 - Monitoring and disseminating new rules and regs in workplace relations – federal and state jurisdictions – to provide members current information, including wage adjustments.
 - This year has seen Hearings in connection with “common rule” decisions in Victoria – and members have been kept informed of the likely impact once the AIRC makes declarations to apply federal award coverage to employees not currently covered by federal awards in the areas of clerical/admin and service station/convenience stores.
 - Conducted workplace training in conjunction with the Caltex Australia learning and development group.

- Representing Distributor sector on the numerous State & Federal Government Inquiry working groups:
 - Victorian & SA EPA group discussions
 - A member of the WA Petroleum Products Pricing Advisory Committee.
 - Victorian Consumer Affairs review of fuel temperature correction and its national implementation
 - Federal Government dept meetings on Supply & national ER plans.
 - Ethanol discussions with various State Govt's Consumer Affairs Depts
- Submissions to and face-to-face discussions with the Federal Government & ACCC on industry issues, particularly the predatory activities of the 2 supermarket alliances.
- Participating in Victorian & South Australian EPA, Underground Storage Tanks policy review & its implications nationally.
- Discussions with our accountants & the ATO on the best way to maximise depreciation rates for UGST installations.
- Participation on the industry Service Station Security Committee
- 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.
- Distributor Business valuations
- Reviewing existing Association registration & looking towards applying for a rule change to truly reflect coverage for "today's" distributor profile.
- In conjunction with OAMPS & Re-Car further developing participation in the Emergency Response Call Centre Program, and additional associated activities.
- Increasingly asked for advice on industry matters by media & government



Signed by: Rob Perry
 National President
 Dated this 8th day of Dec. 2004



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Mr Garth Symington
General Manager
Australian Petroleum Agents
and Distributors Association
369 High Street
KEW VIC 3101

Dear Mr Symington,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2004 - FR2004/411**

I have received the financial reports of your organisation for year ended 30 June 2004. The documents were lodged in the Industrial Registry on 2 February 2005.

The documents have been filed.

Although the documents have been filed, I would like to comment on some issues arising out of the reports. I make these comments to assist you when you next prepare financial reports. You do not need to take any further action in respect of the financial reports already lodged.

1. Auditor's Report

In order to strictly comply with the provisions of subsection 257(5) of the RAO Schedule, I suggest that the auditor's opinion be expressed in the following terms:

"In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996".

I have forwarded a copy of this letter to the auditor for their views about this matter.

2. Operating Report

The following defects or deficiencies are contained in this report required under s254 of the RAO Schedule.

a. Right of members to resign:

Subsection 254(2)(c) requires the operating report to “give details” of the right of members to resign from the reporting unit under section 174 of the RAO Schedule. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 143 of the organisation’s Rules is applicable.

b. Trustees of superannuation entities:

The report must give details (including details of the position held) of any officer or member of the reporting unit who is:

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

3. Notes to financial statements

Note (14) : Prescribed information notice

The notice contains information previously set out in section 274 of the Workplace Relations Act 1996. The financial report should in accordance with subsection 272(5), include a notice setting out the information contained in subsections 272(1), (2) and (3) of the RAO Schedule.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the RAO Schedule, please contact me on (03) 8661 7988 or email: lynette.markovski@air.gov.au.

Yours sincerely,



Lynette Markovski
Statutory Services Branch

5 April 2005

cc Mr Geoff Parker - Inpact McDonald Carter
Level 6, 31 Queen Street
MELBOURNE VIC 3000