



22 December 2014

Mr Rodney Allen
President
Master Grocers Australia Limited
email: admin@mga.asn.au

Dear Mr Allen,

**Master Grocers Australia Limited
Financial Report for the year ended 30 June 2014 [FR2014/308]**

I acknowledge receipt of the financial report of the Master Grocers Australia Limited. The documents were lodged with the Fair Work Commission on 27 November 2014. Further documentation was lodged on 22 December 2014.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

Reporting Requirements

A number of factsheets in relation to the financial reporting process and associated timelines are available on the FWC website. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, or if you require further information on the financial reporting requirements of the Act, please contact me on (03) 8661 7942 or via email at rebecca.lee@fwc.gov.au.

Yours sincerely,

Rebecca Lee
Regulatory Compliance Branch

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

On the 22nd of October, 2014, the Committee of Management of Master Grocers Australia Limited passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th 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 issued by the General Manager of Fair Work Commission (FWC);
- (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 Fair Work (Registered Organisations) Act 2009 and Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the information sought in any request of a member of the reporting unit or the General Manager of FWC duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWC; and
 - (v) No orders have been made by FWC under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.

For the Committee of Management:



Title of Office held:

President

DATED this 22nd day of DECEMBER 2014.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
DESIGNATED OFFICER'S CERTIFICATE
FOR THE YEAR ENDED 30 JUNE 2014

I, Rodney Frederick Allen, being the President of Masters Grocers Australia Limited, certify:

- * that the documents lodged herewith are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- * that the full report was provided to members on 28 / 10 / 2014; and
- * that the full report was presented to a general meeting of members of the reporting unit on 19 / 11 / 2014 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

DATED this 22nd day of DECEMBER 2014.



President

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
FINANCIAL RETURN
FOR THE YEAR ENDED 30 JUNE 2014

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MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014 \$	2013 \$
Operating revenue	3a	2,251,880	2,237,056
Cost of sales		(89,735)	(78,693)
		<hr/>	<hr/>
Gross Profit		2,162,145	2,158,363
Other revenue	3b	657,423	722,935
Net gains from sale of investments	4	112,417	185,397
Training expenses		(348,720)	(246,227)
Employment law expenses		(32,795)	(32,216)
Occupancy expenses		(56,785)	(43,586)
Employee expenses		(1,774,406)	(1,522,826)
Commercial bill facility expenses		(21,265)	(31,586)
Administration expenses		(164,461)	(259,383)
Energy efficiency information program expenses		(179,256)	(322,711)
Depreciation and amortisation		(135,126)	(139,531)
Other expenses		(221,474)	(129,585)
		<hr/>	<hr/>
Profit (loss) before tax		(2,303)	339,044
Income tax expense	7	-	-
		<hr/>	<hr/>
Profit (loss) for the year		(2,303)	339,044
Other comprehensive income , net of tax		<hr/>	<hr/>
Total comprehensive income (loss) for the year		-	-
attributable to members		<hr/> <hr/>	<hr/> <hr/>
		(2,303)	339,044

The accompanying notes form part of these accounts

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	NOTE	2014 \$	2013 \$
CURRENT ASSETS			
Cash		262,083	527,298
Receivables	8	318,078	548,995
Special purpose projects	14	99,064	-
Total current assets		679,225	1,076,293
NON CURRENT ASSETS			
Investments	9	1,646,877	1,472,894
Intangible assets	10	7,304	9,740
Property, plant & equipment	11	1,381,757	1,401,955
Training program development	12	642,571	749,658
Total non-current assets		3,678,509	3,634,247
TOTAL ASSETS		4,357,734	4,710,540
CURRENT LIABILITIES			
Creditors & borrowings	13	560,216	401,308
Provisions	15	93,102	66,230
Special purpose projects	14	-	252,845
Total current liabilities		653,318	720,383
NON CURRENT LIABILITIES			
Creditors & borrowings	13	-	271,696
Provisions	15	55,323	67,065
Total non current liabilities		55,323	338,761
TOTAL LIABILITIES		708,641	1,059,144
NET ASSETS		3,649,093	3,651,396
<i>Represented by:</i>			
MEMBERS' EQUITY			
Accumulated surplus		3,649,093	3,651,396
TOTAL MEMBERS' EQUITY		3,649,093	3,651,396

The accompanying notes form part of these accounts

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Reserve \$	Accumulated Surplus \$	Total \$
Balance at 1st July 2012	-	3,312,352	3,312,352
Comprehensive income			
Profit (loss) for the year	-	339,044	339,044
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	339,044	339,044
Balance at 30th June 2013	-	3,651,396	3,651,396
	Reserve \$	Accumulated Surplus \$	Total \$
Balance at 1st July 2013	-	3,651,396	3,651,396
Comprehensive income			
Profit (loss) for the year	-	(2,303)	(2,303)
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	(2,303)	(2,303)
Balance at 30th June 2014	-	3,649,093	3,649,093

The accompanying notes form part of these accounts

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from members (GST inclusive)	2,550,533	1,698,300
Government funding (GST inclusive)	517,384	1,049,325
Dividend & trust Income received	103,228	88,505
Interest received	22,085	16,615
Rents received (GST inclusive)	61,720	75,007
Sundry Receipts	27,423	22,505
Payments to suppliers and employees	<u>(3,451,840)</u>	<u>(2,806,312)</u>
Net cash provided by (used in) operating activities	<u>(169,467)</u>	<u>143,945</u>
CASH FLOW FROM INVESTMENT ACTIVITIES		
Proceeds from sale of investments	1,792,256	530,007
Proceeds from sale of plant & equipment	-	-
Payments for plant and equipment	(9,181)	(13,866)
Payments for investments	<u>(1,853,823)</u>	<u>(278,783)</u>
Net cash provided by (used in) investment activities	<u>(70,748)</u>	<u>237,358</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	<u>(25,000)</u>	<u>(75,000)</u>
Net cash provided by (used in) financing activities	<u>(25,000)</u>	<u>(75,000)</u>
NET INCREASE / (DECREASE) IN CASH HELD	<u>(265,215)</u>	<u>306,303</u>
CASH AS AT START OF FINANCIAL YEAR	<u>527,298</u>	<u>220,995</u>
CASH AS AT END OF FINANCIAL YEAR	<u><u>262,083</u></u>	<u><u>527,298</u></u>
 (a) Reconciliation of operating profit after income tax to net cash provided by (used in) operating activities:		
Operating profit after income tax	(2,303)	339,044
Non-cash flows in operating profit:-		
(Profit) on sale of investments	(112,417)	(185,397)
Loss on disposal of plant & equipment	3,777	-
Depreciation and amortisation	135,126	139,531
Change in assets and liabilities:		
(Increase) / decrease		
- Trade debtors	285,407	(190,575)
- Sundry debtors, prepayments & receivables	(54,490)	(965)
(Decrease) / increase		
- Trade creditors & accruals	(87,788)	(220,911)
- Employee provisions	15,130	10,373
- Special purpose grants & projects	<u>(351,909)</u>	<u>252,845</u>
Net cash provided by operating activities	<u>(169,467)</u>	<u>143,945</u>

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

The financial statements are a general purpose financial report (GPFR) that has been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), the *Fair Work (Registered Organisations) Act 2009*, and the *financial reporting guidelines issued* by the General Manager of Fair Work Commission. Accounting standards include Australian equivalents to International Financial Reporting Standards.

The financial statements have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair value of the consideration given in exchange for assets. The accounting policies have been consistently applied unless otherwise stated.

The following is a summary of material accounting policies adopted by the economic entity in the preparation of the financial statements.

(a) Revenue recognition

Members' subscriptions or fees are accounted for when invoiced and taken to profit over the period to which they apply.

Revenue in respect of training, workplace agreements and sundry income is accounted for when invoiced.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(b) Depreciation

Depreciation on Plant & Equipment has been provided in the accounts using either the reducing balance of depreciation or prime cost depreciation at various fixed rates appropriate to the estimated effective lives.

(c) Employee entitlements

Provision is made for benefits accruing to employees at current pay rates in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Long service leave is provided for in respect of employees with more than 5 years service.

(d) Investments

Investments in listed and unlisted shares are carried at cost. On an annual basis the company assess if there has been any impairment in relation to its investments. If an impairment event is detected the carrying value of the investment is determined by reference to the net assets or the net realisable value of the investment. Any deficiency is accounted for as an impairment loss.

(e) Receipt of grant funding

Grants received are reconciled against the cost of providing services particular to the objective of each Grant. The component of funding not yet expensed is shown as a current liability. Grant income is recognised in accordance with the Grant offer upon the meeting of performance criteria and is calculated on the basis of the sum of out of pocket expenses incurred in performance of the Grant service and the market value of the time (in hours) taken in performance of the Grant service.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1 STATEMENT OF ACCOUNTING POLICIES (CONT)

(f) Training program development

Investment in the development of the Compliance Management System training program is carried at cost. This includes an appropriate recovery of internal costs as well as outgoings to external parties.

The useful life of the Compliance Management System training program is considered to be finite. The cost of the program is being amortised equally over ten years.

NOTE 2 INFORMATION TO BE PROVIDED TO MEMBERS

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members of Master Grocers Australia Limited is drawn to the provisions of subsections (1), (2) and (3) of Section 272, which reads as follows:

- (1) A member of a reporting unit, or the General Manager, 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).
- (4) The General Manager may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the General Manager must provide to a member information received because of an application made at the request of the member;
- (5) A general purpose financial report prepared under section 253, a concise report prepared under section 265 and a report prepared under subsection 270(4) must include a notice drawing attention to subsections (1), (2) and (3) of this section and setting out those subsections.
- (6) Without limiting the information that may be prescribed under subsection (1), the information prescribed must include details (including the amount) of any fees paid by the reporting unit for payroll deduction services provided by a person who is an employer of:
 - (a) the member making the application for information; or
 - (b) the member at whose request the application was made.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
NOTE 3 REVENUE		
(a) Operating revenue		
Membership subscriptions	1,137,282	987,349
Corporate partner memberships	290,444	348,234
Training programs	688,652	862,162
Workplace relations	124,168	37,950
Other related income	11,334	1,361
	<u>2,251,880</u>	<u>2,237,056</u>
(b) Other revenue		
Commissions	24,930	20,459
Energy Efficiency Information Program grant	450,993	539,645
Interest	22,085	16,615
Dividends	91,142	86,322
Trust distributions	12,086	1,395
Rental income	56,187	58,499
Recovery of unclaimed monies	-	-
Recovery of wages	-	-
Other income	-	-
	<u>657,423</u>	<u>722,935</u>
NOTE 4 NET GAINS FROM SALE OF INVESTMENTS		
Proceeds from sale of investments	1,792,256	530,007
Carrying amount of investments sold	1,679,839	344,610
	<u>112,417</u>	<u>185,397</u>
NOTE 5 EXPENSES		
Profit (loss) before tax includes the following specific expenses		
Auditors' remuneration		
- Audit of the accounts	9,000	8,800
- Other services	3,100	2,000
Bad debts	8,820	5,066
Depreciation	25,603	30,003
Amortisation	109,523	109,528
Annual fee for affiliation with:		
- Political parties	345	-
- A.L.S.A.	16,425	15,650
Council of Small Business Association	7,000	-
Donations	-	-
Legal cost	-	-
Penalties - via RO Act	-	-
Fees/allowances - meeting and conferences	24,000	68,750
Employee expenses		
<i>Holders of Office:</i>		
- Wages and salaries	75,972	-
- Superannuation	7,028	-
- Separation and redundancies	-	-
- Transfers to provisions for annual leave	5,634	-
- Transfers to provisions for long service leave	-	-
<i>Employees other than Holders of Office:</i>		
- Wages and salaries	1,407,287	1,300,172
- Superannuation	134,293	118,016
- Separation and redundancies	41,463	-
- Transfers to provisions for annual leave	21,238	(8,334)
- Transfers to provisions for long service leave	(11,742)	18,707
- Other employee expenses	93,234	94,265
Total employee expenses	<u>1,774,406</u>	<u>1,522,826</u>

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

	2,014	2013
	\$	\$
NOTE 6 DIVIDENDS POLICY		
No dividends were paid during the financial year or are proposed to be paid.		
 NOTE 7 INCOME TAX		
The company is income tax exempt effective from a Private Ruling date of 18th July 2003		
 NOTE 8 RECEIVABLES		
<i>Current</i>		
Trade debtors	256,332	548,739
Less: Provision doubtful debts		(7,000)
Accrued income	32,681	-
Sundry debtors & prepayments	29,065	7,256
	<u>318,078</u>	<u>548,995</u>
 <i>Non Current</i>		
	<u>-</u>	<u>-</u>
 NOTE 9 INVESTMENTS		
<i>Non Current</i>		
Shares in listed corporations		
* At cost	1,560,079	1,386,096
(Market Value at 30.06.14 \$1,1630,843)		
Units in listed property trusts		
* At cost	86,798	86,798
(Market Value at 30.06.14 \$67,288)		
	<u>1,646,877</u>	<u>1,472,894</u>
 NOTE 10 INTANGIBLE ASSETS		
Corporate branding	24,350	24,350
Less: accumulated amortisation	(17,046)	(14,610)
	<u>7,304</u>	<u>9,740</u>

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 11 PROPERTY, PLANT AND EQUIPMENT

	Property \$	Property Improvement \$	Plant & Equipment \$	Total \$
At 1 July 2012				
Cost	1,219,562	129,150	244,905	1,593,617
Accumulated depreciation	-	(11,871)	(163,654)	(175,525)
Net book value	<u>1,219,562</u>	<u>117,279</u>	<u>81,251</u>	<u>1,418,092</u>
Year ended 30 June 2013				
Opening net book value	1,219,562	117,279	81,251	1,418,092
Additions			13,866	13,866
Disposals				-
Depreciation		(3,229)	(26,774)	(30,003)
Closing net book value	<u>1,219,562</u>	<u>114,050</u>	<u>68,343</u>	<u>1,401,955</u>
At 30 June 2013				
Cost	1,219,562	129,150	258,771	1,607,483
Accumulated depreciation	-	(15,100)	(190,428)	(205,528)
Net book value	<u>1,219,562</u>	<u>114,050</u>	<u>68,343</u>	<u>1,401,955</u>
Year ended 30 June 2014				
Opening net book value	1,219,562	114,050	68,343	1,401,955
Additions	-	-	9,182	9,182
Disposals			(3,777)	(3,777)
Depreciation	-	(3,229)	(22,374)	(25,603)
Closing net book value	<u>1,219,562</u>	<u>110,821</u>	<u>51,374</u>	<u>1,381,757</u>
At 30 June 2014				
Cost	1,219,562	129,150	249,967	1,598,679
Accumulated depreciation	-	(18,329)	(198,593)	(216,922)
Net book value	<u>1,219,562</u>	<u>110,821</u>	<u>51,374</u>	<u>1,381,757</u>

The properties comprising of suites 4, 5 & 9 at 1 Milton Pde, Malvern were valued independently as at 6 September 2007 by Antony Coady & Associates Pty Ltd at a market value of \$2,005,000.

	2014 \$	2013 \$
NOTE 12 TRAINING PROGRAMME DEVELOPMENT		
Balance at 1st July	749,659	856,751
Less:		
- Amortisation charge for the year	(107,088)	(107,093)
Balance at 30th June	<u>642,571</u>	<u>749,658</u>

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
NOTE 13 CREDITORS AND BORROWINGS		
<i>Current</i>		
Trade creditors	38,681	66,463
Sundry creditors & accruals	108,122	139,558
Subscriptions in advance	63,413	91,983
Commercial bills - ANZ Bank	350,000	103,304
	<u>560,216</u>	<u>401,308</u>
 <i>Non Current</i>		
Commercial bills - ANZ Bank	-	271,696
	<u>-</u>	<u>271,696</u>
 NOTE 14 SPECIAL PURPOSE PROJECTS		
<i>Energy efficiency information program (EEIP):</i>		
Balance at 1st July	252,845	-
Progress billings	99,084	792,490
	<u>351,929</u>	<u>792,490</u>
 <i>Less:</i>		
- Revenue recognised during the year	(450,993)	(539,645)
EEIP revenue (receivable) deferred at 30th June	(99,064)	252,845
	<u>(99,064)</u>	<u>252,845</u>
 NOTE 15 PROVISIONS		
Employee provisions		
Office holders:		
Annual leave	5,634	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Employee provisions - office holders	<u>5,634</u>	<u>-</u>
 Employees other than office holders		
Annual leave	87,468	66,230
Long service leave	55,323	67,065
Separations and redundancies	-	-
Other	-	-
Employee provisions - other than office holders	<u>142,790</u>	<u>133,295</u>
 <i>Current</i>		
Employee entitlements - provision for annual leave	93,102	66,230
Employee entitlements - provision for long service leave	-	-
	<u>93,102</u>	<u>66,230</u>
 <i>Non Current</i>		
Employee entitlements - provision for annual leave	-	-
Employee entitlements - provision for long service leave	55,323	67,065
	<u>55,323</u>	<u>67,065</u>

	2014	2013
	\$	\$
NOTE 16 RELATED PARTY TRANSACTIONS		
(a) Key management personnel compensation		
Short term employee benefits	365,793	273,068
Post employment benefits	31,980	23,965
Other long term employee benefits	4,076	5,712
Termination benefits	-	-
Share based payments	-	-
Total	<u>401,851</u>	<u>302,745</u>
(b) Other related party transactions		
(i) Payment of promotion expenses to a company owned by Ms J Dixon		
- Giddyup Marketing	9,018	19,057
(ii) Travel cost paid or reimbursed to officeholders		
Rodney Allen (President)	1,439	2917
Stephen Miller	1,072	1793
Michael Daly	2,375	1573
Deborah Smith	3,897	4906
Andrew Bray	2,747	2818
Jillian Dixon (resigned 19/11/13)	-	964
Christopher Dos Santos	3,361	2633
Gino Divitini	5,516	4241
Grant Hinchcliffe	3,871	2060
Joseph Romeo (resigned 16/11/2012)	-	1001
	<u>24,278</u>	<u>24,906</u>
(iii) Committee meeting attendance fees paid directly or indirectly to officeholders who are not employees	24,000	68,750

NOTE 17 MEMBERS GUARANTEE

The Company is limited by guarantee. If the company is wound up, the Constitution of the Company states that each member is required to contribute a maximum amount not exceeding one year's subscription towards meeting any outstanding obligations of the Company. At 30 June 2014, there were 2,489 members, 22 associate members and 31 corporate members.

NOTE 18 ECONOMIC DEPENDENCY

There is no economic dependency on another reporting unit.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

On _____ the _____ 2014 the Committee of Management of Master Grocers Australia Limited passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th 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 issued by the General Manager of Fair Work Commission (FWC);
- (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 Fair Work (Registered Organisations) Act 2009 and Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the information sought in any request of a member of the reporting unit or the General Manager of FWC duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager of FWC; and
 - (v) No orders have been made by FWC under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.

For the Committee of Management:



Title of Office held:

President

DATED this 22 day of October 2014.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The Directors of Master Grocers Australia Limited present their report to the members on the results of the Company for the financial year ended 30 June 2014 and on the state of affairs of the Company as at that date.

The following Directors of Master Grocers Australia Limited held office during the financial year and, unless noted, until the date of this report:

Rodney Allen	President	Jillian Dixon (resigned November 19, 2013)	Director
Stephen Miller	Vice President	Christopher Dos Santos	Director
Michael Daly	Director	Gino Divitini	Director
Deborah Smith	Director	Grant Hinchcliffe	Director
Andrew Bray	Director		

PRINCIPAL ACTIVITIES

Master Grocers Australia Limited (MGA) is a national Industry Employer Association providing independent retail food and liquor stores with services and support within its 5 core pillar areas of Workplace Relations, Training and Compliance, Industry Representation, Energy Efficiency Programs, Industry Community and to protect the status and best interests of its members.

MGA has its own Consent Awards negotiated with the trade unions on behalf of its members. MGA publishes 8 editions of its Independent Retailer magazine each year, provides a fortnightly E Checkout bulletin and conducts seminars, forums and workshops for its members. MGA also provides a suite of face to face and Online Compliance Training programs for its members and a widespread series of valuable store assistance programs presented at a store level.

MGA is dedicated to the business well being of its members. This is achieved through the skill and capability within the teams delivering the Company's 5 Core Pillars. All teams work toward to the achievement of MGA's objectives.

DIVIDENDS

The Directors do not recommend the payment of any dividend. No dividends have been paid or provided for since the end of the previous financial year.

NUMBER OF MEMBERS

As at year end there were 2,489 members, 22 associate members and 31 corporate members.

NUMBER OF EMPLOYEES

As at year end, the number of employees was 1 Casual, 7 Part Time and 13 Full Time

REVIEW OF OPERATIONS

MGA has had another very busy year providing vital support services to its independent supermarket and liquor store members around Australia and has established itself as the Peak National Employer Organisation representing independent supermarkets and liquor stores.

Retailer membership continues to grow in all states. Some Mitre 10 Hardware stores joined as Associate Members. There are 2,489 members

MGA, through the acquisition of a \$990,000 funding grant from the Federal Government, Department of Environment and Climate change, in FY 2013 and FY 2014 was able to deliver a World Class Energy Efficiency Information Program (EEIP) to its members around Australia..

The EEIP has been completely dedicated to reducing the energy usage of members. A steering committee of industry specialists was formed, specific areas of supermarket energy reduction identified and a program of information tools developed. Tools include Facts Sheets, a complete Energy reduction industry Manual, a dedicated Website, www.mgaeip.com.au, a self assessment tool, and a comprehensive seminar program - 70 face to face seminars were conducted around Australia as well as webinars .

As per last financial year, the 2014 financial year has again provided many challenging circumstances for our industry including the ongoing challenges associated with the increased market power, dominance and competition of Coles and Woolworths, a less than confident consumer and a weak retail economy.

MGA launched the second edition Let's Have Fair Competition - "Finding a Solution" report in August 2013 to lift the profile and help to suggest Competition Law reform remedies for this very serious competition issue.

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FOR THE YEAR ENDED 30 JUNE 2014

A video entitled "The House needs to Change the Game" was developed and launched in Canberra in May 2014
MGA also developed and lodged a full submission to the Competition Policy Review Panel on the 7th June 2014

Similar to the last financial year, despite economic adversity (Red Tape, wages increases) and an increase in competition from the chains, Costco and Aldi, our members continue to trade vigorously albeit less profitably.
Owing to the market dominance and power of the chains and their investment in unsustainable retailing developments (approved by ill informed councils and government) our member's confidence to invest in their business continues to be at an all time low.

Despite the less than robust trading conditions, independent supermarket and liquor store owners continue to explore minor improvements in their business and the development of a point of difference to attract customers to their stores to invest into their businesses.
Our industry continues to change with many new store owners entering our industry, particularly from overseas.

MGA's Board of Directors continues to recognise that MGA is delivering a valuable support service to all members. The Board is committed to further investing in MGA infrastructure and people to continue an excellent level of support and service to members.

The Legal and HR team is a core pillar of support and service that our members rely upon. The team has had a very busy year activities, addressing the National Wage review, renegotiating the MGAV Agreement, opposing the deregulation of trading hours in Qld to name a few

The Training team has undergone some personnel cut backs as a consequence of Federal and State Government training incentives being removed or substantially lessened. Training is a key driver for the independent retail sector to compete and meet the ever increasing business challenges they face everyday. Training is also vital for future business growth and succession planning.
Aside from assisting retailers with traditional Certificate 3 & 4 and on line compliance training there was also considerable time spent developing and fine tuning the new Workplace Health and Safety system.

MGA is the Author of the WH&S system and ICON Global is the on line platform developer and provider.
The WH&S system will enable stores, upon implementation, to substantially reduce risk and compliance breaches.
MGA's training presence continues to improve greatly, particularly, in the areas of On Line training - WH&S, RSA & FS & FSS.

It has been a very busy year for industry representation with a number of visits to Canberra having taken place with Board members and Industry stakeholders. The highlight for the Board was attending Parliament House on May 14th, for the release of the 2015 Federal budget and meeting with a number of politicians and bureaucrats to discuss Competition Policy and Law reform.
The Let's Have Fair Competition report launched in August 2013 edition was sent to over 400 politicians and bureaucrats as well as 2,400 members and a wide audience of industry stakeholders and the media.
MGA's team has substantially built its staff capability, skill and knowledge within its 5 core pillars.

MGA is the peak national industry employer body in Australia for independent supermarkets and liquor stores.
MGA's presence and profile has increased significantly with the increased engagement with state and federal politicians and its fight against unfair competition
MGA has achieved significant media (TV, print & radio) exposure as a consequence.
Over the past 12 months MGA and LRA has successfully faced many challenges and embraced many opportunities on behalf of its members around Australia.

MASTER GROCERS AUSTRALIA LIMITED
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OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The Year in Review

In a very busy and engaging year, MGA has had many highlights:

- MGA has successfully delivered and implemented an Energy Efficiency Information Programme.
 - Membership continues to grow modestly in all states as well as 15 Mitre 10 stores becoming Associate Members. Corporate membership has continued to play a vital support role for MGA - BATA has become a Platinum Corporate Member.
 - The profile of MGA as an industry organisation continues to lift, with State and Federal government representatives and the media seeking MGA's comments and insights into industry matters.
 - The development and follow up launch of the Let's Have Fair Competition - "Lets Find a Solution" Report was a significant achievement, along with the lodgment of MGA's Competition Policy Review submission. The Industry Committee and staff worked many tireless hours to produce these documents.
 - MGA's Legal and HR service and support continues to be well recognised for its excellent service.
 - MGA's Legal and HR team continued to make numerous submissions to FWC with respect to minimising wage increases and weekend penalty rates, opposing additional Public Holidays and opposing SDA applications concerning adult wage rates for juniors, employers to pay staff car parking and casuals with 12 months service becoming permanent. The Legal and HR team have again been engaged with the deregulation of trading hours hearings which is a major issue for MGA to address on behalf of its members in Qld.
 - MGA / LRA's Website has been significantly improved with member access and functionality simplified.
 - MGA's communication mediums include the Independent Retailer magazine, fortnightly E Checkouts and the website. All mediums have significantly improved and been well received by members in all states.
 - MGA's and LRA's industry events in each state have been very well received. Guest Speakers continue to attract members and have included state ministers, bureaucrats and industry leaders. Events have included industry breakfasts and golf days.
 - LRA's Committee has been working with much enthusiasm and vigour toward achieving fair and sustainable outcomes for Packaged Liquor License members in Victoria, ACT and NSW. LRA has been engaging with the Qld and SA governments in regard to liquor licenses for members. This work will continue.
 - Legal and HR seminars, such as Managing your Employees and Performance Management, have been well attended.
 - MGA Retailer forums, workshops, visits to stores, and industry committees have been well supported and attended.
 - MGA's attendance at industry events and functions, such as the SPAR, FoodWorks Conference/Expo, Metcash Expo, IGA State conferences, FoodWorks and IGA Regional meetings around Australia, have been very well received by members.
 - MGA continues to make many submissions to, and attended many hearings with, State and Federal government departments.
 - Strong and sustainable partnerships have been formed with key industry stakeholders such as Metcash, IGA, FoodWorks, Foodland, SPAR, Australian Liquor Marketers, Liquor Marketing Group, various industry service and product suppliers and State and Federal government politicians and bureaucrats.
- MGA's training offer dramatically changed over the past 12 months owing to Government funding cut backs. Owing to these cuts MGA was forced to farewell, National Training Manager Michael Russell, Trainer and Assessor, Tony Morris and Training Administrator, Janet Holmes
- MGA's online training offer has had a strong take and is gaining momentum, particularly Food Safety and RSA
 - MGA, together with ICON Global, has developed a state of the art industry Workplace Health and Safety system for members to better manage risk. This system is being sold to members as a vital industry solution.

Membership services continues to expand and improve. Master Grocers Insurance Services continues to gain traction.

MGA continues to consolidate its membership base in SA, NT, TAS, WA, VIC, QLD, the ACT and NSW.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2014

SIGNIFICANT CHANGES

There are no significant changes other than those described in the Review of Operations.

As at year end, the number of employees were 1 Casual, 7 Part Time and 13 Full Time.

EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Since the end of the financial year and to the date of this report, in the opinion of the Directors, no matters or circumstances have arisen which significantly affect:

- (i) the operations of the Company;
- (ii) the results of those operations, or
- (iii) the state of affairs of the Company, in the financial year subsequent to 30th June, 2014

LIKELY DEVELOPMENTS

Investment of MGA funds and resources will continue to be allocated to the development of support services for members. Membership is forecasted to increase modestly - additional supermarkets joining brands, liquor and hardware.

SUPERANNUATION TRUSTEES

There is no superannuation trustee for the reporting unit.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2014

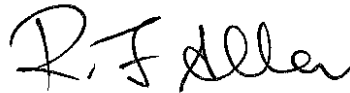
MEMBERSHIP OF THE COMMITTEE OF MANAGEMENT

The membership of the Committee of Management during the year ended 30th June 2014 is as follows:

Name	Position	Period Held
ALLEN, Rodney	President	1 July 2013 - 30 June 2014
MILLER, Stephen	Vice President	1 July 2013 - 30 June 2014
BRAY, Andrew	Director	1 July 2013 - 30 June 2014
DALY, Michael	Director	1 July 2013 - 30 June 2014
DIVITINI, Gino	Director	1 July 2013 - 30 June 2014
DIXON, Jillian	Director	1 July 2013 - 19 November 2013
DOS SANTOS, Christopher	Director	1 July 2013 - 30 June 2014
HINCHCLIFFE, Grant	Director	1 July 2013 - 30 June 2014
SMITH, Deborah	Director	1 July 2013 - 30 June 2014

This report is made in accordance with a resolution of the Directors

DATED this 22nd day of October 2014.



Director



Director

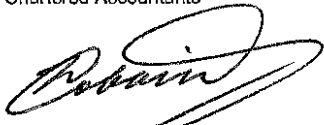
MASTERS GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 283
AUDITORS' INDEPENDENCE DECLARATION
TO THE MEMBERS OF MASTER GROCERS AUSTRALIA LIMITED

As auditor for the audit of Master Grocers Australia Limited for the year ended 30 June 2014,
I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:

- (a) no contraventions of the auditors' independence requirements of Australian professional ethical pronouncements in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

DATED this *27th* day of *October* 2014

COBAIN & LIM PTY LTD
Chartered Accountants



N A COBAIN
Registered Company Auditor Number: 10612

211 / 566 St. Kilda Rd
MELBOURNE VIC 3004

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF MASTER GROCERS AUSTRALIA LIMITED

Scope

We have audited the accounts, being the statement by members of the committee , statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to and forming part of the accounts of Master Grocers Australia Limited for the year ended 30th June 2014.

Committee of Management's Responsibility for the Financial Report

The committee of management of Master Grocers Australia Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the Fair Work (Registered Organisations) Act 2009, and for such internal control as the committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Auditor's Independence Declaration

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

Auditor's Opinion

In our opinion, the financial report of Master Grocers Australia Limited is in accordance with the Fair Work (Registered Organisations) Act 2009, including:

- (i) giving a true and fair view of its financial position as at 30th June 2014 and its financial performance and its cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and reporting requirements as required by the Fair Work (Registered Organisations) Act 2009.

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 083 283
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MASTER GROCERS AUSTRALIA LIMITED

Approved Auditor

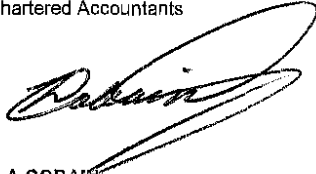
We meet the definition of the approved auditor in Regulation 4 of the Fair Work (Registered Organisations) Regulation 2009

Going Concern

As part of the audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the association's financial statements is appropriate.

DATED this *27th* day of *October* 2014

COBAIN & LIM PTY LTD
Chartered Accountants



N A COBAIN
Registered Company Auditor Number: 10612

211 / 568 St. Kilda Rd
MELBOURNE VIC 3004

MASTER GROCERS AUSTRALIA LIMITED
A.C.N. 004 063 263
DESIGNATED OFFICER'S CERTIFICATE
FOR THE YEAR ENDED 30 JUNE 2014

I, Rodney Frederick Allen, being the President of Masters Grocers Australia Limited, certify:

- * that the documents lodged herewith are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- * that the full report was provided to members on / / 2014; and
- * that the full report was presented to a general meeting of members of the reporting unit on / / 2014 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

DATED this 22 day of October 2014.



President