



Post Office Agents Association Limited

**Annual Report
2012-2013**

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF POST OFFICE AGENTS ASSOCIATION LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Post Office Agents Association Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatements, 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 entity'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 entity's internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

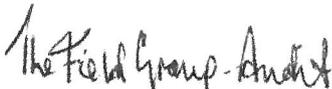
Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Post Office Agents Association Limited, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion, the financial report of Post Office Agents Association Limited is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the company and consolidated entity's financial position as at 30 June 2013 and of their performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

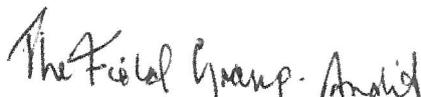

The Field Group - Audit
Chirnside Park, Victoria


Gavin Fraser CA
Partner

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF POST OFFICE AGENTS ASSOCIATION LIMITED
AND CONTROLLED ENTITY**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.


The Field Group - Audit
Chirnside Park, Victoria


Gavin Fraser, CA
Partner

Dated this 19th day of September 2013

DIRECTORS' REPORT

The Directors submit their report in accordance with a resolution of the directors.

1. Directors: The name of the directors, all of whom have extensive experience in the postal industry and small business, holding office at the date of the report are:
C Campbell, Director & Licensee; J Patroni, Director & Licensee; M McGrath-Kerr AM FAICD, Director & Life Member; R Chizzoniti, Director/Co Treas & Life Member; L Cooper, Director & Licensee; J Fisher BA DipEd, Director & Licensee, D Burns, Director & Life Member; D Jenner, Director & Life Member.
2. Principal Activities: The principal activities and objectives of the economic entity in the course of the financial year were to protect, preserve and promote the business interests of persons who conduct Licensed Post Offices pursuant to the Licensed Post Office Agreement, and Mail Contractors. There was no significant change in these activities during the year.
3. Short-term and long-term objectives: The short-term and long-term objectives of the company are to continue to protect, preserve and promote the business interests of its members. This will be achieved largely through continuing consultations with Australia Post. The period

under review saw the company successfully undertake the objectives for which it was formed. The company reacts promptly to changes in the industry through input from the Board and the State Branches.

4. Meetings of Directors: The number of Board meetings held during the year ended 30 June 2013 was 6. Details of changes in Directors, and the number of Board meetings attended by Directors during the year ended 30 June 2013 were M McGrath-Kerr 6, R Chizzoniti 6, D Jenner 6, J Patroni 3, J Dixon 1 (ceased October 2012), J Fisher 4, L Cooper 6, C Campbell 4, D Burns 6.
5. Auditor's Independence Declaration: The lead auditor's independence declaration for the year ended 30 June 2013 has been received and can be found in the financial report.
6. The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 30 June 2013, the total amount that any individual member of the company is liable to contribute if the company is wound up is \$100.

ON BEHALF OF THE BOARD



R Chizzoniti, Company Secretary

Dated the sixteenth day of September 2013



C Campbell, Director

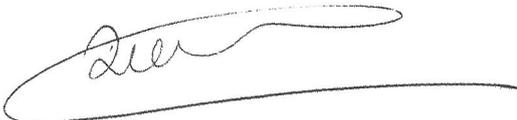
Post Office Agents Association Limited & Controlled Entity

STATEMENT BY DIRECTORS

In accordance with a resolution of the Directors of the Post Office Agents Association Limited, we state that:-

1. The financial statements and notes are set out in accordance with the Corporations Law, and:
 - a. comply with Australian Accounting Standards; and
 - b. give a true and fair view of the financial position of the company as at 30 June 2013 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



R Chizzoniti, Company Secretary

Dated the sixteenth day of September 2013



C Campbell, Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 30 JUNE 2013

Note	Consolidated		Parent	
	2013	2012	2013	2012
	\$	\$	\$	\$
Revenue and other income	2,202,827	1,092,078	664,596	637,265
Employee benefits expense	6,950	(11,048)	1,024	(2,813)
Depreciation	3(50,882)	(53,893)	(31,510)	(35,422)
Other expenses	(708,680)	(702,777)	(478,648)	(474,439)
Current year surplus before income tax	450,215	324,360	155,462	124,591
Tax refund/(expense)	4(88,945)	(64,416)	645	421
Net current year surplus	361,270	259,944	156,107	125,012
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss when specific conditions are met:				
Fair value remeasurement gains/(losses) on available-for-sale financial assets	26,431	3,077	-	-
Total other comprehensive income for the year	26,431	3,077	-	-
Total comprehensive income for the year	387,701	263,021	156,107	125,012
Net current year surplus attributable to members of the entity	387,701	263,021	156,107	125,012

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

CURRENT ASSETS					
Cash and cash equivalents	5	2,141,110	2,723,206	45,974	3,482
Financial assets	7	1,831,727	917,067	814,248	817,777
Other current assets	6	31,661	214,745	1,943,616	1,831,314
TOTAL CURRENT ASSETS		4,004,498	3,855,018	2,803,838	2,652,573
NON-CURRENT ASSETS					
Property, plant and equipment	8	654,333	703,402	48,361	78,513
Intangibles	9	798	798	-	-
TOTAL NON-CURRENT ASSETS		655,131	704,200	48,361	78,513
TOTAL ASSETS		4,659,629	4,559,218	2,852,199	2,731,086
CURRENT LIABILITIES					
Accounts payable and other payables	10	1,344,610	1,701,150	366,413	461,721
Current tax liabilities	11	36,693	20,678	(1,354)	(2,507)
Employee provisions	12	58,028	65,862	10,600	12,508
TOTAL CURRENT LIABILITIES		1,439,331	1,787,690	375,659	471,722
NON-CURRENT LIABILITIES					
Employee provisions	12	2,234	1,350	2,234	1,350
TOTAL NON-CURRENT LIABILITIES		2,234	1,350	2,234	1,350
TOTAL LIABILITIES		1,441,565	1,789,040	377,893	473,072
NET ASSETS		3,218,064	2,770,178	2,474,306	2,258,014
EQUITY					
Retained surplus		3,061,361	2,673,660	2,317,603	2,161,496
Reserves		156,703	96,518	156,703	96,518
TOTAL EQUITY		3,218,064	2,770,178	2,474,306	2,258,014

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 30 JUNE 2013

CONSOLIDATED GROUP	Retained Surplus	Financial Assets Reserve	Total
	\$	\$	\$
Balance at 1 July 2011	2,410,639	91,423	2,502,062
Comprehensive Income			
Surplus for the year attributable to members of the parent entity	263,021	-	263,021
Other comprehensive income for the year	-	5,095	5,095
Total comprehensive income attributable to members of the entity	263,021	5,095	268,116
Balance at 30 June 2012	2,673,660	96,518	2,770,178
Comprehensive Income			
Surplus for the year attributable to members of the parent entity	387,701	-	387,701
Other comprehensive income for the year	-	60,185	60,185
Total comprehensive income attributable to members of the entity	387,701	60,185	447,886
Balance at 30 June 2013	3,061,361	156,703	3,218,064

PARENT ENTITY	Retained Surplus	Financial Assets Reserve	Total
	\$	\$	\$
Balance at 1 July 2011	2,036,484	91,423	2,127,907
Comprehensive Income			
Surplus for the year attributable to members of the parent entity	125,012	-	125,012
Other comprehensive income for the year	-	5,095	5,095
Total comprehensive income attributable to members of the entity	125,012	5,095	130,107
Balance at 30 June 2012	2,161,496	96,518	2,258,014
Comprehensive Income			
Surplus for the year attributable to members of the parent entity	156,107	-	156,107
Other comprehensive income for the year	-	60,185	60,185
Total comprehensive income attributable to members of the entity	156,107	60,185	216,292
Balance at 30 June 2013	2,317,603	156,703	2,474,306

STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2013

Note	Consolidated 2013	2012	Parent 2013	2012
	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from members fees and levies	513,859	604,370	510,632	601,160
Receipts from other sources	652,526	300,722	20,295	23,340
Payments to suppliers, and employees	(973,836)	(601,224)	(594,853)	(587,863)
Dividends received	20,569	18,357	13,356	11,327
Interest received	107,573	116,864	28,908	30,466
Income tax paid	(72,930)	(81,863)	1,798	(3,739)
Net cash provided by/(used in) operating activities	15 247,761	357,226	(19,864)	74,691
CASH FLOWS FROM INVESTING ACTIVITIES				
Payment for available-for-sale investments	(15,718)	(13,523)	(12,909)	(10,859)
Proceeds from sale of available-for-sale investments	445	-	-	-
Proceeds from held-to-maturity investments	76,623	-	76,623	-
Payment for held-to-maturity investments	(889,394)	-	-	-
Payment for property, plant and equipment	(1,813)	(50,771)	(1,358)	(27,921)
Net cash provided by/(used in) investing activities	(829,857)	(64,294)	(62,356)	(38,780)
Net increase/(decrease) in cash held	(582,096)	292,932	42,492	35,911
Cash and cash equivalents at beginning of the financial year	2,723,206	2,430,274	3,482	(32,429)
Cash and cash equivalents at the end of the financial year	5 2,141,110	2,723,206	45,974	3,482

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

The financial statements cover Post Office Agents Association Limited and controlled entity, as a consolidated group incorporated and domiciled in Australia. Post Office Agents Association Limited is a company limited by guarantee.

The financial statements were authorised for issue on 16th September 2013 by the directors of the company.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies
a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Post Office Agents Association Limited at the end of the reporting period. A controlled entity is any entity over which Post Office Agents Association

Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 16 to the financial statements.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

b. Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets, is the rate inherent in the instrument.

All dividends received shall be recognised as revenue when the right to receive the dividend has been established.

Revenue for the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

Freehold Property

Buildings are shown at cost, less subsequent depreciation for buildings.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use.

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

Class of fixed asset	Depreciation rate
Buildings	2.50%
Furniture and equipment	15% - 30%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained surplus.

d. Income Tax

Post Office Agents Association Limited adopts the liability method of tax effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for transactions with members and any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

e. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate

an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

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

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Available-for-sale financial assets

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

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(iv) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments, indications that they will enter into bankruptcy or other financial reorganisation and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the writing off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

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

f. Impairment of Assets

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

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

g. Employee Provisions

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

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

h. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

i. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

j. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

k. Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

l. Comparative Figures

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

m. Accounts Payable and Other Payables

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

n. New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

These Standards were mandatorily applicable for annual reporting periods commencing on or after 1 January 2013. However, AASB 2012-6: Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures (issued September 2012) defers the mandatory application date of AASB 9 from 1 January 2013 to 1 January 2015. In light of this change to the mandatory effective date, the company is expected to adopt AASB 9 and AASB 2010-7 for the annual reporting period ending 31 December 2015. Although the directors anticipate that the adoption of AASB 9 and AASB 2010-7 may have a significant impact on the company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (applicable for annual reporting periods commencing on or after 1 July 2013).

- AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements [August 2011], AASB 128: Investments in Associates and Joint Ventures [August 2011] and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements [March 2008, as amended] and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The company has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the company.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the company.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are expected to result in more detailed fair value disclosures, but are not expected to significantly impact the amounts recognised in the company's financial statements.

- AASB 119: Employee Benefits [September 2011] and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The company does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to:

- require only those benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service to be classified as short-term employee benefits. All other employee benefits are to be classified as either other long-term employee benefits, post-employment benefits or termination benefits, as appropriate; and
- the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
 - (i) where for an offer that may be withdrawn – when the employee accepts;
 - (ii) where for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
 - (iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets and if earlier than the first two conditions when the related restructuring costs are recognised.

These Standards are not expected to significantly impact the company's financial statements.

- AASB 2012-2: Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 2012-2 principally amends AASB 7: Financial Instruments: Disclosures to require entities to include information that will enable users of their financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard is not expected to significantly impact the company's financial statements.

- AASB 2012-3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

This Standard is not expected to significantly impact the company's financial statements.

- AASB 2012-5: Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard amends a number of Australian Accounting Standards as a consequence of the issuance of Annual Improvements to IFRSs 2009-2011 Cycle by the International Accounting Standards Board, including:

- AASB 1: First-time Adoption of Australian Accounting Standards to clarify the requirements in respect of the application of AASB 1 when an entity discontinues and then resumes applying Australian Accounting Standards;
- AASB 101: Presentation of Financial Statements and AASB 134: Interim Financial Reporting to clarify the requirements for presenting comparative information;
- AASB 116: Property, Plant and Equipment to clarify the accounting treatment of spare parts, stand-by equipment and servicing equipment;
- AASB 132 and Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments to clarify the accounting treatment of any tax effect of a distribution to holders of equity instruments; and
- AASB 134 to facilitate consistency between the measures of total assets and liabilities an entity reports for its segments in its interim and annual financial statements.

This Standard is not expected to significantly impact the company's financial statements.

Note	Consolidated		Parent	
	2013	2012	2013	2012
	\$	\$	\$	\$

NOTE 2. REVENUE AND OTHER INCOME

Sales revenue

Membership subscriptions	602,921	567,474	602,921	567,474
Advertising income	21,394	25,980	21,394	25,980
Misc. income	-	15	-	-
Management Fees	448,391	355,341	-	-
Credit card fees	3,227	3,195	-	-
	1,075,933	952,005	624,315	593,454

Other revenue

Interest received	106,325	121,716	26,925	32,484
Share dividends	20,569	18,357	13,356	11,327
	126,894	140,073	40,281	43,811
Total revenue	1,202,827	1,092,078	664,596	637,265

NOTE 3. SURPLUS FOR THE YEAR

a. Expenses

Depreciation	50,882	53,893	31,510	35,422
Auditors Fees				
- audit services	9,000	8,800	9,000	8,800
- taxation services	-	-	-	-
Total Audit Remuneration	9,000	8,800	9,000	8,800

b. Significant Revenue and Expenses

Membership subscriptions	602,921	567,474	602,921	567,474
Management fees	448,391	355,341	-	-
Interest received	106,325	121,716	26,925	32,484
Salaries and wages	299,421	288,410	157,088	157,917
Depreciation expense	50,882	53,893	31,510	35,422
Travel expenses	30,310	52,392	30,310	52,392

NOTE 4. INCOME TAX EXPENSE

The components of tax expense comprise:

Current tax payable/(refundable)	88,945	64,416	(645)	(421)
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The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

Prima facie tax payable on profit from ordinary activities before income tax at 30% (2012: 30%)	142,994	98,231	46,639	37,377
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Add:

Tax effect of:				
- non-deductible depreciation	5,232	5,232	-	-
- other non-allowable items	(1,515)	2,303	263	1,695

- other taxable items	2,979	-	2,312	-
Less:				
Tax effect of:				
- receipts from and payments on behalf of the members	(44,135)	(34,639)	(44,135)	(34,639)
- rebateable fully franked dividends	(8,681)	(7,634)	(5,724)	(4,854)
- revaluation of shares not subject to income tax	(7,929)	923	-	-
Income tax attributable to entity	88,945	64,416	(645)	(421)

NOTE 5. CASH AND CASH EQUIVALENTS

Cash at bank	2,140,808	2,722,904	45,674	3,182
Cash on hand	302	302	300	300
Total cash and cash equivalents as stated in the statement of financial position and statement of cash flows	2,141,110	2,723,206	45,974	3,482

NOTE 6. OTHER CURRENT ASSETS

Interest accrual	14,010	15,258	4,189	6,172
Loan from subsidiary	-	-	1,932,458	1,820,068
Prepayments	3,946	3,041	3,230	2,434
Premium funding debtors	1,645	190,947	-	-
Sundry debtors	12,060	5,499	3,739	2,640
Total other assets	31,661	214,745	1,943,616	1,831,314

NOTE 7. FINANCIAL ASSETS

CURRENT

Available-for-sale financial assets:

- investment in Australian listed shares, available for sale	-	291,981	265,783	192,689
Held-to-maturity investments				
- investments in fixed interest securities	1,437,857	625,086	548,463	625,086
Other investments				
- shares in subsidiaries	-	-	2	2
Total financial assets	1,831,727	917,067	814,248	817,777

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

BUILDINGS

Buildings at cost	697,655	697,655	-	-
Less accumulated depreciation	(122,087)	(104,646)	-	-
Total buildings	575,568	593,009	-	-

PLANT AND EQUIPMENT

Office furniture and equipment at cost	239,949	238,137	195,743	194,385
Less accumulated depreciation	(161,184)	(127,744)	(147,382)	(115,872)
Total plant and equipment	78,765	110,393	48,361	78,513
Total property, plant and equipment	654,333	703,402	48,361	78,513

Movements in carrying amounts

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

	Furniture & Equipment			Total
	Buildings	Equipment		
	\$	\$	\$	\$
2012				
Balance at the beginning of the year	610,450	96,074	706,524	
Additions at cost	-	50,771	50,771	
Depreciation expense	(17,441)	(36,452)	(53,893)	
Carrying amount at end of year	593,009	110,393	703,402	
2013				
Balance at the beginning of the year	593,009	110,393	703,402	
Additions at cost	-	1,813	1,813	
Depreciation expense	(17,441)	(33,441)	(50,882)	
Carrying amount at end of year	575,568	78,765	654,333	

Note	Consolidated		Parent	
	2013	2012	2013	2012
	\$	\$	\$	\$

NOTE 9. INTANGIBLE ASSETS

Preliminary expenses	798	798	-	-
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NOTE 10. ACCOUNTS PAYABLE AND OTHER PAYABLES

Trade creditors	9,843	-	9,843	-
Payments received in advance	327,885	420,174	327,885	420,174
Sundry creditors and accrued expenses	1,006,882	1,280,976	28,685	41,547
Total payables	1,344,610	1,701,150	366,413	461,721

Accounts payable and other payables:

- total current	1,344,610	1,701,150	366,413	461,721
- total non-current	-	-	-	-
	1,344,610	1,701,150	366,413	461,721
Less deferred income	(327,885)	(420,174)	(327,885)	(420,174)

Note	Consolidated		Parent	
	2013 \$	2012 \$	2013 \$	2012 \$
a. Financial liabilities at amortised cost classified as trade and other payables				
Less other payables (new amount of GST payable)		(31,225)	(25,723)	(34,609)
Financial liabilities as accounts payable and other payables	986,363	1,249,751	12,805	6,938
The average credit period on accounts payable and other payables (excluding GST payable) is one month.				

NOTE 11. CURRENT TAX LIABILITIES

Income tax payable/(refundable)	36,693	20,678	(1,354)	(2,507)
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NOTE 12. EMPLOYEE PROVISIONS

CONSOLIDATED GROUP	Employee benefits		Total	
	\$		\$	
Opening balance at 1 July 2012			67,212	67,212
Additional provisions			23,785	23,785
Amounts used			(30,735)	(30,735)
Balance at 30 June 2013			60,252	60,262
PARENT ENTITY				
Opening balance at 1 July 2012			13,858	13,858
Additional provisions			7,435	7,435
Amounts used			(8,459)	(8,549)
Balance at 30 June 2013			12,834	12,834
Analysis of Employee Provisions				
Current				
- annual leave entitlements	19,547	32,116	4,618	6,757
- long service leave entitlements	38,481	33,746	5,982	5,751
Total current employee provisions	58,028	65,862	10,600	12,508
Non-current				
- long service leave entitlements	2,234	1,350	2,234	1,350
	60,262	67,212	12,834	13,858

Employee Provisions

Employee provisions represent amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement or resigns during the year. The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

NOTE 13. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant events since the end of the reporting period.

NOTE 14. RELATED PARTY TRANSACTIONS

a. Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

Key management personnel compensation

- short term benefits	186,333	174,493	44,000	44,000
- post-employment benefits	20,590	17,476	3,510	3,960
	206,923	191,969	47,510	47,960

NOTE 15. CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operating Activities with Current Year Surplus

Profit after income tax	387,701	263,021	156,107	125,012
Non-cash flows:				
Depreciation expense	50,882	53,893	31,510	35,422
Fair value gains on investments in shares held	(26,431)	(3,077)	#	-
Changes in assets and liabilities:				
(Increase)/decrease in other current assets	183,084	(86,169)	(112,302)	(126,182)
Increase/(decrease) in accounts payable and other payables	(356,540)	135,957	(95,308)	41,786
Increase/(decrease) in current tax liabilities	16,015	(17,447)	1,153	(4,160)
Increase/(decrease) in employee provisions	(6,950)	11,048	(1,024)	2,813
Cash flows from operations	247,761	357,226	(19,864)	74,691

NOTE 16. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and receivables and payables.

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

Financial Assets

Note	Consolidated 2013 \$	2012 \$	Parent 2013 \$	2012 \$		
Cash and cash equivalents	5	2,141,110	2,723,206	45,974	3,482	
Available-for-sale financial assets:						
- investments in listed shares, available for sale	7	393,870	291,981	265,783	192,689	
Held-to-maturity investments						
- investments in fixed interest securities	7	1,437,857	625,086	548,463	625,086	
Total financial assets		3,972,837	3,640,273	0	860,220	821,257

Financial Liabilities

Financial liabilities at amortised cost					
- accounts payable and other payables	10	986,363	1,249,751	12,805	6,938
Total financial liabilities		986,363	1,249,751	12,805	6,938

Financial Risk Management Policies

The board of directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the board's objectives, policies and processes for managing or measuring the risks from the previous period.

a. Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk by investing only in surplus cash with major financial institutions.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Group does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial Liability and Financial Asset Maturity Analysis:

CONSOLIDATED GROUP	Within 1 year		Total	
	2013 \$	2012 \$	2013 \$	2012 \$
Financial liabilities due for payment				
Accounts payable and other payables	986,363	1,249,751	986,363	1,249,751
Total anticipated outflows	986,363	1,249,751	986,363	1,249,751

Financial assets - cash flow realisable

Cash and cash equivalents	2,141,110	2,723,206	2,141,110	2,723,206
Available-for-sale financial assets	393,870	291,981	393,870	291,981
Held-to-maturity investments	1,437,857	625,086	1,437,857	625,086
Total anticipated inflows	3,972,837	3,640,273	3,972,837	3,640,273
Net inflow on financial instruments	2,986,474	2,390,522	2,986,474	

PARENT ENTITY

Financial liabilities due for payment

Accounts payable and other payables	12,805	6,938	12,805	6,938
Total expected outflows	12,805	6,938	12,805	6,938

Financial assets - cash flows realisable

Cash and cash equivalents	45,974	3,482	45,974	3,482
Available-for-sale financial assets	265,783	192,689	265,783	192,689
Held-to-maturity investments	548,463	625,086	548,463	625,086
Total anticipated inflows	860,220	821,257	860,220	821,257
Net inflow on financial instruments	847,415	814,319	847,415	814,319

b. Market Risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earning volatility on floating rate instruments.

The financial instruments that expose the company to interest rate risk are limited to listed shares, fixed interest securities and cash and cash equivalents.

As at 30 June 2013, the group had no interest bearing debts. The Group has approximately 100% of short-term investments invested at a fixed rate.

(ii) Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a

financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The company is exposed to other price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

The company's investments are held in the following sectors at the end of the reporting period:

	2013	2012
Banking and finance	85%	85%
Telecommunications	15%	15%

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Group. Most of these instruments which are carried at amortised cost (ie. term receivables, held-to-maturity assets and loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Group.

		2013		2012	
		Carrying Amount \$	Fair Value \$	Carrying Amount \$	Fair Value \$
CONSOLIDATED GROUP					
Financial Assets					
Cash and cash equivalents	a	2,141,110	2,141,110	2,723,206	2,723,206
Available-for-sale financial assets:					
- at fair value					
- listed investments	b	393,870	393,870	291,981	291,981
Held-to-maturity investments:					
- fixed asset securities	c	1,437,857	1,437,857	625,086	625,086
Total financial assets		3,972,837	3,972,837	3,640,273	3,640,273
Financial Liabilities					
Accounts payable and other payables	a	986,363	986,363	1,249,751	1,249,751
Total financial liabilities		986,363	986,363	1,249,751	1,249,751

PARENT ENTITY

Financial Assets					
Cash and cash equivalents	a	45,974	45,974	3,482	3,482
Available-for-sale financial assets:					
- at fair value					
- listed investments	b	265,783	265,783	192,689	192,689
Held-to-maturity assets:					
- fixed asset securities	c	548,463	548,463	625,086	625,086
Total financial assets		860,220	860,220	821,257	821,257
Financial Liabilities					
Accounts payable and other payables	a	12,805	12,805	6,938	6,938
Total financial liabilities		12,805	12,805	6,938	6,938

The fair values disclosed in the above table have been determined based on the following methodologies:

- Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.
- For listed available-for-sale financial assets, closing quoted bid prices at the end of the reporting period are used.
- Fair values of held-to-maturity investments are based on quoted market prices at the end of the reporting period.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Consolidated Group	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2013 Financial Assets				
Available-for-sale financial assets	393,870	-	-	393,870
Held-to-maturity financial assets	-	1,437,857	-	1,437,857
	393,870	1,437,857	-	1,831,727
2012 Financial Assets				
Available-for-sale financial assets	291,981	-	-	291,981
Held-to-maturity financial assets	-	625,086	-	625,086
	291,981	625,086	-	917,067

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

In valuing unlisted investments, included in Level 2 of the hierarchy, valuation techniques such as those using comparisons to similar investments for which market observable prices are available have been adopted to determine the fair values of these investments

No transfers between the levels of the fair value hierarchy occurred during the current or previous reporting periods.

NOTE 17. RESERVES

Financial Assets Reserve

The financial assets reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets that are classified as available-for-sale.

Analysis of Each Class of Reserve	Consolidated		Parent	
	2013	2012	2013	2012
Revaluation gains/(losses) on available-for-sale financial assets	60,185	5,095	60,185	5,095
Held-to-maturity financial assets	-	-	-	-
	60,185	5,095	60,185	5,095

NOTE 18. CONTROLLED ENTITIES

Country of Incorporation	Percentage Owned	
	2013	2012

a. Controlled Entities Consolidated

Subsidiaries of Post Office Agents Association Limited

POAAL Services Pty Ltd	Australia	100%	100%
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NOTE 19. COMPANY DETAILS

The registered office and principal place of business is:

Post Office Agents Association Limited
21 Victoria Street
MELBOURNE VIC 3000

NOTE 20. MEMBERS' GUARANTEE

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting the outstanding liabilities and obligations of the entity. At 30 June 2013 the number of members was 4,557.



POAAL

Post Office Agents Association Limited
ABN 45 006 382 314

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Post Office Agents Association Limited will be held on 22 October 2013 at the Metropole Hotel, 44 Brunswick Street, Fitzroy, Vic, commencing at 7.00pm

Business to be transacted:
Receipt of: Auditor's Report, Chairman's Report, Directors' Reports and Financial Report.

POAAL

Looking after Post Office Licensees & Contractors

Some 2012/13 achievements:

- Increases in LPO payments.
- Arranged member-exclusive over-the-phone industrial relations help line – free to paid-up POAAL members to access.
- Comprehensive WHS plans for LPOs.
- Introduction of trial for scanning fee for carded articles at LPOs.
- Ongoing extension of hand-held scanners to Contractors.
- Met with Ministers and senior politicians.
- POAAL Business Seminars in many capital cities.
- LiPOMS workshops to help Licensees understand their payments.
- Representation on the Australia Post National OHS Committee for Licensees and Mail Contractors.
- Frequent email news updates for POAAL members.
- Continued emphases on security matters and continuation of the interest-free security loan.