

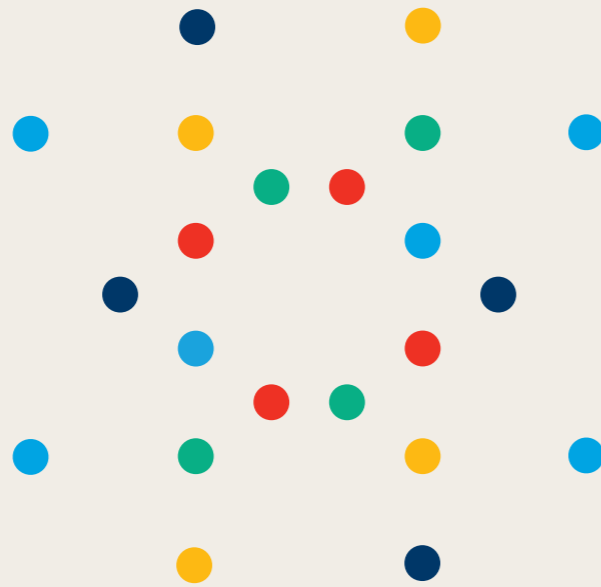
Annual Report 2015



“

Procurement Australia
will be the leading partner
of strategic sourcing and
procurement solutions which
add measurable business
value to our clients.

”



About MAPS Group



Maps Group Limited trading as Procurement Australia is a public company which negotiates and facilitates contracts for common use goods and services on behalf of its members.

Procurement Australia offers suppliers access to Local Government, Trusts, Not for Profits, TAFE, Universities, Libraries, Water Boards and other statutory bodies, through its ISO9001 accredited tender and contract management processes. Procurement Australia operates from a head office located in Melbourne, and has an additional office in Sydney.

The company services over 700 members across Australia.

Our mission is to act as the member advocate/agent and fulfill their needs by creating mutual benefit for members and suppliers, through value added and innovative procurement services.

Procurement Australia suppliers are authorised contractors who have tendered and been accepted to sell goods and services through the Procurement Australia contracts.

Our suppliers incorporate a diverse group covering many market sectors and organisations, including high profile national and multinational brands.



Quality
ISO 9001
SAI GLOBAL

The Year in Review



Improved, upgraded and new member products and services.

Innovative new products and improved services were a feature of 2015. The most recent of these was our Risk Management & Insurance Division launched to ensure members' risk management strategies are fit for purpose and cost effective.

Our core business of aggregated contracts and purchasing saw the beginnings of a new contracts look up system, which is replacing the Engine Room. We have introduced the TenderLink system to manage our Request For Tender process end to end in a fully electronic, auditable environment.

Figures on usage indicate strong adoption of the new systems and support will grow as we promote them and as they become embedded in members' and suppliers' practices.

Improved customer service is a key driver for our success and we began investing significantly in a new Customer Relationship Management (CRM) System in 2015.

Extending communication; broadening our reach.

We continued to increase member engagement not only through Tender Reference Groups and member Briefings but also through our regular information e-blasts and proactive use of LinkedIn.

Member and supplier interaction with our new look website has risen strongly as it becomes the main portal for our key information ranging from contracts and events through to major news announcements. We've also broadened our reach to new and existing sectors via media with a wider media buy and editorial presence sought particularly this year, our 30th.

Our new Sydney office and the completion of hiring our Business Development Management team for NSW is helping cement this improved member interaction.



SSROC and Procurement Australia have developed a great relationship which has seen them deliver together some great deals for SSROC's member councils.



Namoi Dougall, General Manager, SSROC.

Raising the standards.

2015 saw us continue our popular Seminars and Briefings held not only in advance of major tender activities but very importantly in crucial business areas such as collaborative procurement.

By providing members with free law seminars in Melbourne, Sydney and Adelaide addressed by DLA Piper Partner, Scott Alden, on topics such as Collaborative Procurement and the Trade Practices Act, we strive to raise industry standards. This also occurs through our active support of the industry through a range of sponsorships and participation at industry events, seminars, forums and conferences.

For suppliers and members alike, pre and post tender and contract briefings were held in Melbourne, Sydney and Adelaide on our Energy Contract, Retail Supply of Fuel Contract, Security Services Contract, Tree Services Contract, and our new Risk Management & Insurance Division.

Briefings were also held during the year for the new Procurement Australia OneCard, the result of what is one of the best retail fuel contracts in Australia and one which replaced three earlier separate contracts (Motorpass, Caltex Starcard and BP Plus Card).



'We've also broadened our reach to new and existing sectors via media with a wider media buy and editorial presence sought particularly this year, our 30th.'



The Year of Highlights



Celebrating! Banana Shed to \$9,788,000 turnover in 30 years.

On Monday 25 May 2015 we celebrated Procurement Australia's 30th anniversary, remembering its achievements which began in 1985 in a small banana shed at Victoria Markets in Melbourne and which have seen it become an established and recognised national contract aggregator valued at \$13 million, now located at Hawthorn East.

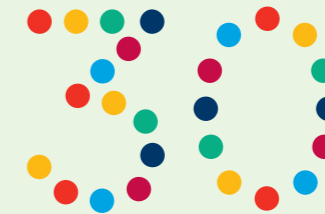
Guests came to a cocktail party in Melbourne's Town Hall, hosted by Chairman, Ken McNamara, and mingled with Melbourne's Deputy Lord Mayor and Procurement Australia director, Susan Riley, representatives from our founding member, the City of Melbourne. The Hon. Natalie Hutchins, Minister for Local Government, Minister for Aboriginal Affairs, Minister for Industrial Relations was also there.

In his speech, the Chairman spoke of the many changes since the City of Melbourne and 14 Melbourne municipal councils established Metropolitan Area Purchasing Scheme, subsequently becoming MAPS Group Ltd and now Procurement Australia's holding company, 30 years ago - a remarkably longstanding history in the procurement field.

In 1988, MAPS membership comprised 22 Victorian-based councils, growing from the original 15 only three years earlier. Now, there's around 700 members spread nationally, and from a much wider base than local government to include water corporations, public libraries, cemetery trusts, universities and TAFEs, and not for profit and charitable institutions.

In 1993, by introducing compulsory competitive tendering requiring 50% of local government expenditure to be tendered out, the Victorian government gave us a tremendous boost - work took off, especially in energy and wet hire.

Celebrating Thirty Years



'... an
established
and recognised
national
contract
aggregator.'



The Chairman noted our various name changes which began in 1992 with the introduction of MAPS Group Ltd when MAPS was incorporated. The Procurement Australia name arrived around 2010, and was shortened from Your Procurement Australia in 2013 to Procurement Australia. He also noted that, no matter what our name, we maintained our original objectives - of making a profit for members and returning dividends, and of improving and promoting quality procurement practices.

Built over 30 years, our procurement management know-how and extensive market knowledge now successfully work together with technology and innovative processes to provide strategic advantages. So, after 30 years, we do the same thing but we do it better, we do it more often and we offer members far more than before.



Three decades on, and Procurement Australia is bigger and better than ever. Today, we're leading the way when it comes to procurement. We've helped more than 700 members secure contracts covering an enormous range of things! From lighting to library books ... from 20-tonne excavators to green energy ... the list goes on and on! And the organisation has expanded its reach from here in Victoria to right across the country.



Susan Riley, Deputy Lord Mayor, City of Melbourne



'... an established and recognised national contract aggregator.'



Coates Hire Operations Ltd is thrilled to have renewed its partnership with Procurement Australia for a further three year term. We commence our term with a renewed sense of commitment to the job at hand. Our recent national restructure leaves Coates Hire well positioned to take full advantage of this opportunity as we work alongside the revitalised Procurement Australia sales and marketing teams. We look forward to delivering Safety and Productivity gains to the Procurement Australia membership.



New look one day conference creates the future.

This year's new look one day conference in Melbourne in August, offered a variety of workshops, panels and presentations, and clearly mapped out the footprint for future events.

Titled FOCUS, and MC'd by the irrepressible Madonna King, our 2015 conference drew attendees from across Australia, and speakers not only from local government, but also from Sustainability VIC, Not for Profits and CIPS.

By offering a range of interactive panel-type workshops mixed with insightful, future-focused presentations from Chief Executives, Chief Financial Officers and Procurement Managers, we worked to deliver the best and brightest to help all of us navigate a path to a sustainable future.

Highlights were the Conversations sessions aimed at debating the future of our businesses. Featuring CEOs and Procurement Managers, and designed to encourage attendees to actively participate, the sessions saw CEOs give a great account of the history of procurement and what it means to LGAs today.

We take our role of providing members with the right events, services and outcomes seriously, and our new look one day conference reflected this.

By all accounts, the exciting one day program promoted lively exchanges, food for thought and the chance for innovative solutions to percolate and resonate through the day, and be talked about again at our Procurement Australia 30th Party afterwards.

Thank you again to our great conference and Procurement Australia Award sponsors - AGL (Gold); Fuji Xerox (Silver); Dulux, Office Max, R&R, Bunnings and CIPS (Bronze), and congratulations to all the winners of this year's Procurement Australia Awards.





1. Gerard Vellan from the City of Great Dandenong receiving the Sustainable Procurement Award.
2. Melissa Kretschmer from the City of Holdfast Bay receiving the Jacinta Bartlett Award for Individual Excellence in Procurement.
3. Namoi Dougall from SSROC receiving the Collaboration and Innovation in Procurement Award.
4. Ian Rudgeley from the City of Sydney receiving the Social Procurement Award.



Dulux Australia is proud to have been a sponsor at the Procurement Australia conference again in 2015. We look forward to continuing working with all members of Procurement Australia to ensure that you receive the support and service that comes our partnership being a market leader in the decorative industry.



Daryl Owens, National Property Services Manager, Dulux Australia.



Bunnings was really pleased to have received the Procurement Australia Supplier of the Year Award. We see this as a reflection of our great partnership with Procurement Australia and its members.



Rod Caust, General Manager - Commercial, Bunnings Group Limited.



Fuji Xerox Australia have worked with Procurement Australia and their customers for over 22 years. Fuji Xerox Australia is a proud supporter of the Procurement Australia Annual Conference and the value it brings to Procurement Australia's customers.



Romy Evans, Marketing Programs Executive, Fuji Xerox Australia.

Insure Right delivers independent and quality factual advice.

In a major strategic development this year, a Risk Management & Insurance Division was established in September, immediately introducing Insure Right, a truly independent and quality factual advisory service for members seeking the most appropriate and cost effective insurance and risk management products and services.

Insure Right – launched around Australia through a series of member briefings – focuses on the inherent risk faced by all members, and supports members by undertaking detailed assessments of their existing insurance and risk transfer practices, focusing on key aspects ranging from coverage and pricing through to broker service, insurer security, advocacy and transparency.

By the end of such a thorough review, each component of any insurance and risk management program should represent best practice and address members’ specific needs at the most reasonable and fair costs available.

This innovative new practice responds strongly to members’ needs by helping them avoid spending valuable time and resources evaluating their insurance programs or providing the right resources when they don’t have the in-house expertise.

The new Division offers five key services:

- Technical Coverage Review.
- Management of Insurance Tenders.
- Benchmarking.
- Service Level Evaluation.
- Risk Management, Local Emergency Management Plan Review, Technical Expertise and Ongoing Advice.

Procurement Australia’s mission is to deliver cost savings and Insure Right’s aim is to deliver insurance and risk management strategies that best manage members’ risks and minimise exposure and costs at the same time.



1. Mark Lamb presenting at the FOCUS Conference.

The team that is CIPS and Procurement Australia.

It is two years since we teamed up with CIPS Australasia (Chartered Institute of Procurement and Supply). CIPS sponsored the Jacinta Bartlett Award for Individual Excellence in Procurement and we sponsored their conference again this year.

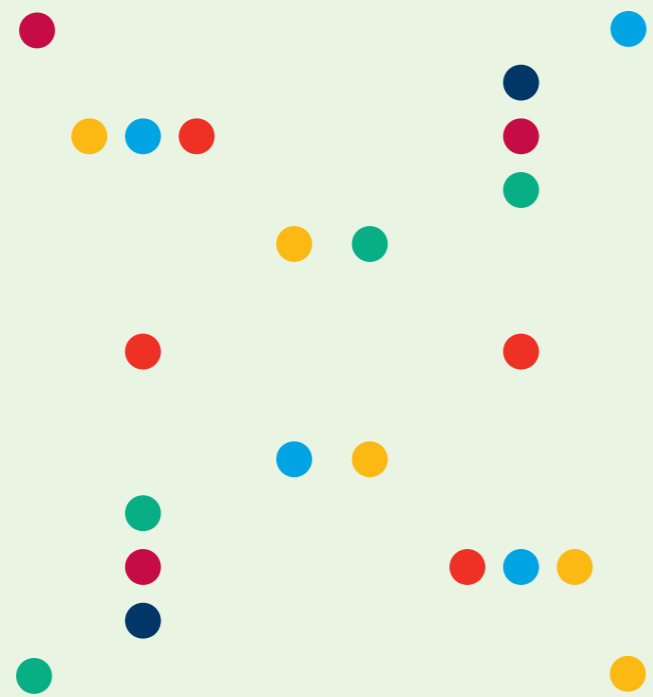
As member based organisations, we find synergy in our partnerships as we work to promote industry learning and raise professional standards, some of which is achieved by providing our members with discounted CIPS Australasia membership.

This works to both solidify Procurement Australia member staff development programs and enhance business and networking opportunities for industry participants throughout the sector and in the Australasian region.

This year we were delighted to have the new CIPS Australasia's General Manager, Mark Lamb, as one of the keynote speakers at FOCUS, our one day conference in August in Melbourne, and grateful to have him on hand to award the Jacinta Bartlett Award to its worthy winner, Melissa Kretschmer, Procurement Officer, City of Holdfast Bay

Another outcome of this very fruitful CIPS/Procurement Australia teaming is our ability to encourage professional development and sector enhancement through a strong external program of co-branded briefings and events, helping our industry thrive through improved member achievements.





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CIPS is delighted to be partnering with like-minded organisations such as Procurement Australia. We look forward to working with them to further the profession of procurement.

”

Mark Lamb, General Manager, CIPS Australasia.

“

It was an honour to be nominated, let alone win the Individual Excellence in Procurement Jacinta Bartlett Award. In my time at Council it has been a somewhat challenging process implementing a centre-led procurement model, yet it is also very rewarding to see how these systems and processes now allow Council to deliver better value for money outcomes and significant contract savings. It is fantastic that Procurement Australia offers an award in this category, as procurement staff are often overlooked for their contributions made to the success of Council’s major projects and service delivery.

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Melissa Kretschmer, Procurement Officer, City of Holdfast Bay.



Chair Review



Once again Procurement Australia has had a successful year returning a bottom line profit of \$988,794 and a dividend to our shareholders of 21%. In this the 30th year since the company's establishment, this is a pleasing result and provides an indication of the work put in by the company management, the leadership of the Board and the support of our customer base.

The improved financial position of the company provides an opportunity to further invest in the business and ensure that services to our members are positioned well and provide innovative procurement solutions.



New Developments.

The biggest news from the year is the State Government's approval of a change to the company's Memorandum of Articles of Association (MAA) to allow the company to offer procurement services to the private sector. This change to our MAA allows the company to offer our services to both public and private organisations nationally, allowing us to diversify our income sources to generate greater financial strength and stability. An additional benefit is greater negotiating power with suppliers which should lead to an improved offer to our customers.

I congratulate the company administration on this important initiative. In terms of the company's national profile, meetings have been held with relevant State Government Ministers in Queensland and Western Australia with the objective of exploring prescription in those states.

In NSW we have opened a new Sydney office to strengthen our presence in that state.

The Board.

Having been Chairman of the Board since February 2014 I can report the Board is working well as a team and all Board members are extremely pleased with the company's continued growth and strong bottom line results, we thank all who have contributed over the year.

The Board has been refreshed with the addition of two new Board members in Glenn Patterson the CEO of Yarra Ranges Shire Council and Brendan McGrath CEO of Wangaratta Rural City, both of whom bring a great mix of local government procurement and commercial expertise. Both members are nominated for endorsement at this AGM.

Glenn Patterson comes to the Board with 28 years local government senior management experience and holds board positions with Yarra Ranges Tourism and the Eastern Metropolitan Regional Development Association. With both business and MBA qualifications and commercial property development experience, he brings a range of skills to our Board.

Joining Glenn on the Board is Brendan McGrath, bringing 20 years Victorian local government and private sector experience with him. Having been in CEO roles since 2008, and with post graduate Business Management qualifications, Brendan brings to the Board strengths in human and financial management as well as policy, strategy and business development. He is currently President of LGPro, is involved with the Victorian North East Regional Development Scheme and serves on the region Tourism Board. His skills complement the company's range of operations.

In the past year we farewelled John Ravlic from the Board and on behalf of the Board and executive team, I express our sincere thanks for his service to the company over three years. Thank you John.



'This change to our MMA allows the company to offer our services to both public and private organisations nationally..'



'In NSW we have opened a new Sydney office to strengthen our presence in that state.'

Procurement Australia Support for our Customer Base.

The company continues its support of professional development of procurement staff in our major markets through a partnership with the Chartered Institute of Procurement and Supply (CIPS) and the company is presently considering further initiatives to increase this support.

Our 30th Anniversary one day conference in August in Melbourne was well supported and offered high class speakers and a range of innovative panel discussions on procurement matters. Given the success of that format we look forward to building on it this coming year.

Finally, it has been a highly successful 2014/2015 year, I thank my fellow Board members and our CEO Joe Arena and his executive team, our staff and last but not least our members who have supported us over the year.

Ken McNamara.

Chair, Board of Management.
15 December 2015.



CEO Review



First I'd like to thank all of you. Your ongoing support of Procurement Australia as a director, a member, a supplier, an executive team or staff member is enabling me to report another exceptional year for Procurement Australia.

In terms of both our financial performance and the improved delivery of member services and cost effective aggregated contracts, 2014/15 has been a standout year.

Top line is that it has been a very successful year; profit is \$988,794.

Last year I referred to an improved organisation emerging and 2014/15's outcomes are proof of this. By focusing on being the leading partner of strategic sourcing and procurement solutions for our clients, and our core values of Respect, Integrity, Compassion, Honesty, Courtesy and Fairness, we've successfully delivered better results, better services and better financial outcomes for all.





‘Top line is that it’s been a very successful year with a profit of \$988,794.’



‘Second year of record operating profit for the 2015 financial result.’



‘Total revenues from ordinary activities down 29.9% from last year’.





New opportunities with broadened MAA.

We have worked hard this year to set new ground rules for our expansion beyond our traditional target markets and geographies. This has been achieved through ongoing in-depth discussions with governments and key stakeholders in Queensland and Western Australia and work invested into reasoning for the change to our Memorandum of Articles of Association (MAA).

With the proposed updating of our MAA to allow us to operate beyond the government sector and our traditional reach, we can now execute our 2013-2018 Strategic Plan fully by taking advantage of strategically identified expansion opportunities.

This means we will be able to target the commercial sector within our existing geographical markets, and expanding into new territories. In 2015/16 we will focus on the range of contract categories we offer, our contract terms and conditions, marketing and sales team resources, and our channel partners to effect this growth.

This proposed expansion requires a relatively small investment and faces minimal commercial and operational risk. There are benefits for shareholders and members alike including:

-  Greater financial strength and stability through a diversity of revenue streams and larger contract sizes;
-  Better negotiating power with suppliers and lower contracted prices;
-  An increase in no fee services for members; and,
-  A strengthening and deepening of the group’s internal skill base.

2014/15 Achievements.

Clearly 2014/15’s results show that Procurement Australia is a leaner, more efficient organisation that is better aligned with its client base and providing cost effective, relevant and sustainable buying solutions.

Last year I heralded a raft of innovative products and services enhancing member product service, quality and performance and these have eventuated.

Member services.

Most recent of these has been the launch of our Risk Management & Insurance Division, aimed at providing members with independent professional factual advice on how to best and most cost effectively structure their risk transfer strategies and programs.

Our new Customer Relationship Management (CRM) system has been scoped and development is well underway, together with our new Contracts Look-Up System. Both of these will improve member communications, ensuring fast, efficient and up to date messaging on all member services and opportunities.

Members are still enjoying discounted CIPS membership, a service we value highly as it works to not only raise professional standards in our industry but also supports members in their staff development programs.

Celebrating 20 years in the NSW market, we successfully completed hiring for our Sydney team and set up a newly established office in Redfern, close to the CBD. We are well and truly ensconced in what is one of our key markets.

2015 saw a continuance of our very popular Seminars and Briefings for members and suppliers held not only in advance of major tender activities but very importantly covering crucial business topics such as collaborative procurement and the Trade Practices Act.

Early in 2015, members benefited from seminars in Melbourne, Sydney and Adelaide with DLA Piper Partner, Scott Alden addressing legislative compliance and in-house training on procurement and competition issues. Always popular, Alden’s workshop type approach delivers practical solutions to keep members up to date on legal issues linked with aggregated buying.

Conference.

I think one of my favourite jobs are my member visits around Australia. This is the prime method for me to keep pace with members' needs and wants and helps us bring to market the most essential products and services.

Listening to members' feedback is what motivated us to bring you an exciting, tight and information packed One Day Conference. It's appropriate to recognise here our Conference Sponsors and Procurement Australia Award winners, so thank you and congratulations to:

- AGL Energy, gold sponsor of our conference, and sponsor of the Sustainable Procurement Award which was won by the City of Greater Dandenong.
- Fuji Xerox, our silver conference sponsor, and sponsor of the post Conference 30th Anniversary Cocktail Party.
- Our bronze conference sponsors, Dulux, Office Max, and Bunnings, who also sponsored the Collaboration and Innovation Award won by Southern Sydney Regional Organisation of Councils (SSROC), Waste Management Program.
- CIPS, sponsor of our Jacinta Bartlett Award for Individual Excellence in Procurement won by Melissa Kretschmer, City of Holdfast Bay.
- The winner of our own Social Procurement Award winner was City of Sydney for its Supply Nation Initiative.
- And Bunnings Warehouse who took out the Supplier of the Year Award as voted by Procurement Australia members.

30th anniversary.

2015 can't escape without a nod to our 30th Anniversary which we celebrated widely – with members, suppliers, stakeholders, shareholders and the wider member community.

To help celebrate we held a formal cocktail party on 25 May at Melbourne Town Hall which was addressed and attended not only by our Chairman, Ken McNamara, but also by the City of Melbourne's Deputy Lord Mayor and Procurement Australia board member, Susan Riley, and the Minister for Local Government, Minister for Aboriginal Affairs, Minister for Industrial Relations, the Hon. Natalie Hutchins.

We also promoted that we'd turned 30 through a range of editorials and advertisements placed in a range of external media channels as well as carrying the specially designed logo on all our communications materials, including our website, throughout the year. I'd say that not many people don't know that we've turned 30!

Tender reference groups and contracts.

Tender Reference Groups with good dynamics are key to delivering top results. Typically these meet up to five times during a tender period and involve up to seven clients working to set specifications, review submissions and make recommendations.

In 2014/15, we established four such groups for key contracts in the areas of Security Services, Fleet Consumables, Fleet Services and Energy. Along with these groups we run pre and post tender and contract Briefings for members and suppliers in key cities.

This year such Briefings were held in Melbourne, Sydney and Adelaide on our Energy Contract, Retail Supply of Fuel Contract, Security Services Contract, Tree Services Contract, and our new Risk Management & Insurance Division. Briefings for the Energy Contract – Retail Electricity, Natural Gas, Public Light and Associated Services for large and small sites – were particularly well attended as we worked to outline the workings and benefits of a 'committed volume' tender which saw us go to market with aggregated load data to generate the best prices possible.

Briefings were also held during the year for the new Procurement Australia OneCard, the result of what is one of the best retail fuel contract in Australia and one which replaced three earlier separate contracts.

Other key contracts delivered in 2014/15 were the new Stationery Contract and the One Stop Shop Fleet Consumables Contract. The all-important Energy Contract is still in the market as we go to print.

Community sponsorships and professional standards.

We see a great role for Procurement Australia in helping lift professional standards in the industry and we demonstrate our commitment to this role in a number of ways including through community action, industry sponsorships and proactively recognising outstanding achievements.

This year I have attended many external meetings and conferences to see how we can be involved and we have supported through sponsorships of various kinds a range of like organisation meetings including LGMA's Conference in Darwin this year, the Chartered Institute of Procurement and Supply (CIPS), LGPro, and as the proud sponsor of the SACS 10TH Annual Leadership Awards.

We continue to support LGPro, LGMA, SACS, and the Municipal Works Officers Association (MWOA) in a number of ways and, especially women in local government, through LGPro's Women's Forum.

Our members benefit greatly through our CIPS partnership to promote professional development. The importance of linking members with procurement and supply experts and specialists helps to share innovation and experience. What a great note to end our 30th year on – giving back to the industry.

Joe Arena.

Chief Executive Officer.
15 December 2015.



The Salvation Army have been a member of Procurement Australia for a number of years and they have provided us with great support. In particular, the procurement process for energy has enhanced our business model in this key area of expenditure. This allowed us to develop a more professional strategic approach from the data being generated from the provider. With Procurement Australia's skills in this space it has meant our savings go directly to our programmes to assist the marginalised in our society. We have found the process very professional in delivering us great outcomes.



Lucy Muchic, Procurement Manager, The Salvation Army.

The Board



Procurement Australia has always had great resources at Board level to draw upon for support and guidance. We benefit from the innumerable years of local government management experience and knowledge our Board members bring, and 2014/15 has been no different.

1. Ken McNamara – Chair.

CE, Dip CE, DipAppScTp, BAppScPlan, FIE (Aust), FIMM, FAICD.
Appointed: 14th December 1992, Appointed Chair: 21 February 2014.
Chair of the Board, Chair of Finance & Governance Committee.

A founding Director of Procurement Australia, Ken is a civil engineer, town planner and company Director. With extensive experience as a Chief Executive, City Engineer and Consultant in Local Government, Ken is a Sessional member of the Victorian Civil and Administrative Tribunal and a member of Planning Panels Victoria. He has served as a Government appointed independent chair of a number of major infrastructure projects including the Geelong Bypass, Sugarloaf Pipeline, Peninsula Link, Barwon Heads Bridge Echuca-Moama Bridge Projects, and the Western Highway – Anthony's Cutting Project. Ken has direct expertise in governance, tendering and contract management together with an expansive understanding of procurement procedures across a range of public sectors.

2. Lydia Wilson – Chair Sustainability Victoria (retired May 2015).

BA, BSW, GAICD, FAIM.
Appointed: 26 February 2010 – Chair, Strategy Committee.

Lydia has more than 22 years' experience at Senior Executive level in Local Government, including 13 as a Chief Executive most recently with the City of Manningham and previously with the City of Yarra and the Shire of Macedon Ranges. Before becoming Chair of Sustainability Victoria, Lydia chaired the Victorian Government's Ministerial Advisory Committee on Waste and Resource Recovery. As well as her chair roles, Lydia provides leadership and management consulting services in the areas of corporate governance, CEO performance and councillor support primarily to Local Government organisations, and is an Associate of SACS Consulting.

3. Stephen J Griffin – Chief Executive Officer, State Emergency Service, Victoria.
B.AppSc, DipEd, GradDip LG, MB Man.
Appointed: 23rd May 2014 – Member, Finance and Governance Committee.

Stephen started his local government career at the City of Melbourne in 1986 after a short career in secondary school teaching in Geelong. Stephen's career at City of Melbourne included management positions in recreation, home and community care and general management.

Stephen then moved to Werribee – Wyndham City Council prior to local government amalgamation. Stephen managed the areas of Recreation, Enterprise Support and was Director of Corporate Services in a period where the population in the municipality grew by 8% per annum and was one of the fastest growing municipalities in Australia. Whilst at Wyndham, Stephen completed his Masters of Business Management. He took up the role of General Manager – Corporate Services at the City of Greater Geelong in 2007. In 2009 Stephen was appointed Chief Executive Officer of the City of Greater Geelong and then in 2014 became the Chief Executive Officer of the Victoria State Emergency Service.

Stephen brings to the Board extensive experience in local government management, as well as broad management expertise developed over a number of years.

4. Susan Riley – Deputy Lord Mayor, City of Melbourne.
MAICD.
Appointed: 18 September 2009 – Member, Strategy Committee.

In her third term of office with the City of Melbourne, Susan Riley has a 25 plus year career in publishing and media and is a director of two Melbourne city-based publishing companies that support local business and community networks and information exchange. Susan has significant knowledge of local government, sits on all Future Melbourne Committee meetings including audit and is Deputy Chair of the Marketing Melbourne portfolio. She is integral to the City's leadership team and a strong advocate for small business, women in business and community development. A member of the Australian Institute of Company Directors, Susan also holds many important Board roles linked to business and community in Melbourne and Victoria.





5. Brendan McGrath – Chief Executive Officer, Rural City of Wangaratta.
BAppSc, PG Dip Business Management.
Appointed 25 September 2015 – Member, Strategy Committee.

Brendan McGrath brings the Procurement Australia Board 20 years' Victorian local government and private sector management experience. With post graduate Business Management qualifications and in CEO roles since 2008, initially with Indigo Shire and now with Rural City of Wangaratta, Brendan's strengths lie in human and financial resources management and policy, strategy and business development. His B AppSc and early local government management experience in community and recreation areas give Brendan a strong understanding of people and the community within which they live, essential for local government. Currently President of LGPro, Brendan is also a member of North East Victoria Regional Tourism Board.

6. Glenn Patterson – Chief Executive Officer, Yarra Ranges Council.
Bachelor of Business (RMIT), Masters of Business (RMIT), Graduate Australian Institute of Company Directors Course.
Appointed 25 May 2015 – Member, Strategy Committee.

With 28 years' local government senior management experience, Glenn Patterson has been CEO of Yarra Ranges Council since 2008, having previously headed Baw Baw Council. A Board member of Yarra Ranges Tourism and the Eastern Metropolitan Regional Development Association, Glenn has Business and MBA qualifications and has also been CEO of a Melbourne-based property development group and owned and operated his own property-related business on the Mornington Peninsula.

7. Vijaya Vaidyanath – Chief Executive Officer, Yarra City Council.
MBA, MA (Economics), F John Kennedy School of Government, FNZIM, MSLGM, ICMA (USA), ALGA, MAV, LGPA.
Appointed 23 May 2014 – Member, Finance and Governance Committee.

Vijaya Vaidyanath is the CEO of the City of Yarra in Melbourne. Prior to this role Vijaya spent over a decade as CEO at Waitakere City Council a very large metro City in New Zealand and as the CEO of Rodney District Council in New Zealand. She also worked for 15 years as a senior Executive in the Reserve Bank in India with brief stints in the USA before migrating to New Zealand. Vijaya was the former Board member of Bank of Baroda New Zealand and Massey University and Advisory member of various Government Boards in New Zealand. She is now a Board member on Procurement Australia (appointed on 23 May 2014).

Vijaya is renowned for her innovation, integrity, inspiring leadership style and unique ability to deliver results, together with her interest in social justice and value based leadership.

The Executive Team



A strong executive team ensures ongoing focus and drive to achieve the goals and objectives set out in our strategic plan. Procurement Australia's executive team has been strengthened this year with the addition of Ivana Horner in the position of Director of Sales, and has been warmly welcomed by all.

1. Joe Arena – Chief Executive Officer.
MBA, BBus, GAICD, ASA, MCIPS.

A qualified and highly experienced leader, Joe has an accounting background with vast financial operations experience in the areas of procurement, taxation, banking, investments, management and financial accounting, and fleet management. Prior to joining Procurement Australia, Joe was Director, Financial Operations with La Trobe University, an organisation with an operating budget of more than \$650m spread over five campuses. A specialist in fostering collaborative client relationships, Joe drives the development and implementation of Procurement Australia's strategic plan, ensuring the business has the right people, structure and systems in place to meet and exceed its business objectives and client Expectations.

2. Richard Day – Chief Financial Officer, Company Secretary.
FCCA, CPA, MIPA.

Richard is a Fellow Chartered Certified Accountant (FCCA) a Certified Practising Accountant (CPA) and member of The Institute of Public Accountants (MIPA). Prior to immigrating to Australia in 2008, Richard held senior finance roles in the advertising and hospitality industries working for international companies such as The WPP Group's – Young & Rubicam Ireland and The Hilton Group. He has considerable experience at both Company Secretary and Director levels and joined Procurement Australia in November 2012.





3. Brendan Hoare

Director, Strategic Sourcing.
BBus.

With a procurement career spanning more than 16 years, Brendan came to Procurement Australia in 2011 having held previous positions of Director, Strategic Procurement with University of Melbourne and prior to that, Procurement Director at Victoria's largest public health service, Monash Health (previously Southern Health). With solid financial management expertise involving diverse procurement portfolios, Brendan is responsible for Procurement Australia's strategic procurement, tender and contracting functions and commercial and contractual outcomes, pursuing greenfield categories and identifying expansion opportunities.



4. Ivana Horner

Director Sales.

With financial and business management qualifications, Ivana Horner has proven sales, client service and business process expertise following a successful eight year career with OfficeMax Australia, one of Australia's largest suppliers of stationery and office products. While there, Ivana rose from the position of Account Manager, Commercial to Head of Client Relations and was ultimately responsible for revenue and profitability growth. With an ability to deal with all levels of government and not for profits, as well as experience managing a sales team, setting budgets and evolving client relationships by focusing on process improvements, Ivana's skills together with her capacity to create collaborative client and colleague relationships bring great impact to Procurement Australia's member-focused outcomes.



5. Liz van Doorn

Director Strategy, Marketing and Sales.
Graduate, National Art School.

Liz is an award winning, marketing and communications specialist with strong strategic marketing experience in the government, both Local and State, retail development, urban regeneration, place marketing as well as travel, health, energy, hospitality and technology sectors. In a role involving strategic planning, economic and social strategy, financial and segment management, public sector relations and strategic marketing communications, Liz has also specialised in local economic strategies studying with the Centre for Local Economic Strategies in Manchester UK. Liz's role at Procurement Australia is to lead the implementation of the Strategic Plan, develop and driving the marketing strategies and branding. Liz has also been a senior lecturer at RMIT University School of Applied Communications, as well as holding senior positions in advertising and marketing organisations in Sydney and Melbourne.

Directors' Report



The Directors present their report together with the financial statements of Maps Group Limited (“the Company”) for the year ended 30 September 2015 and the Auditors’ Report thereon.

Directors

Mr Ken McNamara – Chair of Board of Directors.
CE, Dip CE, DipAppScTp, BAppScPlan, FIE (Aust), FIMM, FAICD.
Appointed: 14 December 1992 Chair from: 21 February 2014.
Chair of Finance & Governance Committee.

Ms Susan Riley – Non-Executive Director.
Appointed: 18 September 2009.
Deputy Lord Mayor – City of Melbourne.

Ms Lydia C. Wilson – Non-Executive Director.
BA, BSW, GAICD, FAIM.
Appointed: 26 February 2010.
Practitioner at Lydia Wilson Leadership Development.
Chair of Strategy Committee.

Mr Stephen Griffin – Non-Executive Director.
BAppSc, DipEd, GradDip, LG, MB Man.
Appointed: 23 May 2014.
Chief Executive Officer – Victoria State Emergency Service.

Ms Vijaya Vaidyanath – Non-Executive Director.
MBA, MA (Economics), F John Kennedy School of Government,
FNZIM, MSLGM, ICMA (USA), ALGA, MAV, LGPA.
Appointed: 23 May 2014.
Chief Executive Officer – Yarra City Council.

Mr Glenn Patterson – Non-Executive Director.
Bachelor of Business (RMIT), Masters of Business (RMIT),
Graduate Australian Institute of Company Directors Course.
Appointed: 29 May 2015.
Chief Executive Officer – Yarra Ranges Council.

Mr Brendan McGrath – Non-Executive Director.
BAppSc, PG Dip Business Management.
Appointed: 25 September 2015.
Chief Executive Officer – Rural City of Wangaratta.

Directors Resigning their Office at 21 January 2015

Mr John Ravlic – Non-Executive Director.
MLM, BBS, FLGMA.
Appointed: 29 July 2012.
Principal – Ravim RBC.

Company Secretary

Mr Richard Day.
FCCA, CPA, MIPA.
Appointed: 30 November 2012.

Directors’ Meetings

The number of Directors’ Meetings including meetings of Committees of Directors and number of meetings attended by each of the Directors of the Company during the financial year are:

Director	Directors' Meetings		Finance & Governance Committee Meetings		Strategy Committee Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Mr. Ken McNamara	6	6	4	3	-	-
Mr. Stephen Griffin	6	5	4	4	-	-
Mr. Brendan McGrath	1	1	-	-	-	-
Mr. Glenn Patterson	3	2	-	-	1	1
Ms. Susan Riley	6	6	-	-	3	3
Ms. Vijaya Viadyanath	6	4	4	3	-	-
Ms. Lydia Wilson	6	4	-	-	3	3
Mr. John Ravlic	1	1	-	-	1	1

Number eligible to attend – reflects the number of meetings held for the time the Director held office during the year. Number attended – number of meetings attended by each member in the reporting year.

Principal Activities

The principal activities of the Company during the course of the financial year were the establishment of general supply contracts and the promotion of those contracts.

Result

The operating profit for the year ended 30 September 2015 attributable to the members of Maps Group Limited was \$988,794 (The result for the year ended 30 September 2014 was a profit of \$910,536).

Review of Operations

Revenues

Total revenues from ordinary activities were to \$9,788,400 (\$13,966,230 year end 30th September 2014) the reduction driven by Procurement Australia's OneCard fuel and management fee revenues raised. This contract was re-tendered during the year and resulted in credit risk no longer taken by the company and the necessity to present gross invoiced values (as per prior years) no longer required.

Contracts

Rebate revenue of \$4,679,552 accounted for 48% of total revenue improving from the 2014 closing figure of \$4,521,803.

OneCard – Fuel and Management Fees

As noted above this contract activity was re-tendered throughout the year and set to deliver an improved offer to members whilst also removing the credit risk previously taken by the company.

Conference and Awards Dinner

For the year ending 30 September 2015, the company did not hold a two day conference and awards dinner, choosing a smaller one day engagement with members and suppliers. This proved to be a successful event, held at The Melbourne Exhibition Centre and heralds the company moving towards alternative and new engagements with stakeholders.

Expenditure

Decreased to \$8,799,606 (\$13,055,694 year end 30th September 2014). This result was significantly driven by the OneCard cost of sales expenditure ceasing following contract retender; the company no longer required to be invoiced for fuel expenditure, with the credit risk passing.

Dividends

Dividends paid or declared by the Company since the end of the previous financial year were:

Declared and paid during the year:

A final unfranked ordinary dividend of 21 cents per share amounting to \$83,341 in respect of the year ended 30 September 2015 was declared (21.5 cents 30th Sep 2014 totalling \$85,325). The 2015 dividend was remitted to shareholding members on 9 December 2015.

State of Affairs

During the course of the year the Company made no issues of ordinary shares. In the opinion of the Directors there were no significant changes in the state of affairs of the Company during the financial year under review.

Environmental Regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

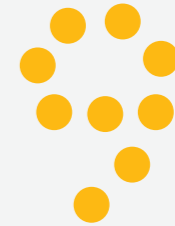
Events Subsequent to Reporting Date

During the period between the end of the financial year and the date of this report, the company held an Extraordinary General Meeting on 25 November 2015. At this meeting a special resolution was passed by shareholders to amend the company's Memorandum and Articles of Association to allow it to trade with any all entities whether private or public / "for profit" or "not for profit". The company will prime it-self in the forthcoming year to avail of the growth potential this new opportunity presents.

With the exception of the above, there has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Auditor's Declaration under Section 307C of the Corporations Act 2001

The lead Auditor's Independence Declaration is set out on page 36 and forms part of the Directors' Report for the year ended 30 September 2015.



Likely Developments

The Company will seek to resume its policy of increasing profitability through consolidation and steady growth in existing markets and products, while at the same time continuing to develop and introduce other innovative opportunities across its markets.

Directors' Interests and Benefits

During the year ended 30 September 2015 no Director of the Company had received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the financial statements) because of a contract made by the Company or a related body corporate with the Director or with a firm of which the Director is a member, or with an entity in which the Director has a substantial interest.

During the year ended 30 September 2015, no Director of the Company had any personal interest in the Company. Some Directors held shares in trust for their respective employer organisations.

Indemnification and Insurance of Directors and Officers

Indemnification

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability, any person who is or has been an officer or auditor of the Company.

Insurance

The Company has paid premiums for Directors' and Officers' Liability and Corporate Reimbursement Insurance for current Directors and Officers of the Company.

As disclosure is prohibited under the terms of the contract, the Directors have not included details of the nature of the liabilities covered or premiums paid in respect of Directors' and Officers' liability insurance.

Signed in accordance with a resolution of the Directors:

A handwritten signature in black ink, appearing to read "Ken McNamara".

Ken McNamara (Chair of Board of Directors and Finance & Governance Committee).
Dated at Melbourne this 15th Day of December 2015.

VAGO

Victorian Auditor-General's Office

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INDEPENDENT AUDITOR'S REPORT

To the Directors of MAPS Group Limited

The Financial Report

The accompanying financial report for the year ended 30 September 2015 of MAPS Group Limited which comprises comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The Directors' Responsibility for the Financial Report

The Directors of MAPS Group Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Corporations Act 2001*, and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Corporations Act 2001* and *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about 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 audit procedures selected depend on 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, consideration is given to the 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 evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Auditing in the Public Interest

Independent Auditor's Report (continued)

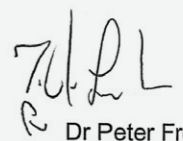
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession and the *Corporations Act 2001*.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of MAPS Group Limited as at 30 September 2015 its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Corporations Act 2001*.

MELBOURNE
16 December 2015


Dr Peter Frost
Acting Auditor-General

2
Auditing in the Public Interest



Victorian Auditor-General's Office

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AUDITOR-GENERAL'S INDEPENDENCE DECLARATION

To the Directors, MAPS Group Limited

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

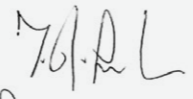
Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for *MAPS Group Limited* for the year ended 30 September 2015, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
16 December 2015


Dr. Peter Frost
Acting Auditor-General

Auditing in the Public Interest

Statement of Comprehensive Income

For the year ended 30th September, 2015.

	Notes	2015 \$	2014 \$
REVENUE FROM ORDINARY ACTIVITIES			
Revenue from Ordinary Activities	2	9,788,400	13,966,230
EXPENSE FROM ORDINARY ACTIVITIES			
Expense from Ordinary Activities	3	8,799,606	13,055,694
PROFIT / (LOSS) FOR THE YEAR		<u>988,794</u>	<u>910,536</u>
Other Comprehensive Income		–	–
Total Comprehensive Income		<u>988,794</u>	<u>910,536</u>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.



Statement of Financial Position

For the year ended 30th September, 2015.

	Notes	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	3,724,216	3,305,084
Trade and Other Receivables	6	885,324	1,746,667
Other Assets	7	74,974	55,507
Total Current Assets		4,684,514	5,107,258
Non-Current Assets			
Property, Plant & Equipment	8	40,603	47,772
Intangible Assets	9	148,669	173,999
Total Non-Current Assets		189,272	221,771
Total Assets		4,873,786	5,329,029
LIABILITIES			
Current Liabilities			
Trade and Other Payables	10	537,624	1,890,279
Provisions	11	191,478	212,799
Total Current Liabilities		729,102	2,103,078
Non-Current Liabilities			
Long-term provisions	11	43,531	30,251
Total Non-Current Liabilities		43,531	30,251
TOTAL LIABILITIES		772,633	2,133,329
NET ASSETS		4,101,153	3,195,700
Equity			
Issued Capital	12a	403,862	403,862
Retained Earnings	12b	3,697,291	2,791,838
TOTAL EQUITY		4,101,153	3,195,700

The Statement of Financial Position should be read in conjunction with the accompanying notes.



Statement of Changes in Equity

For the year ended 30th September, 2015.

	Notes	Contributed Capital \$	Retained Earnings \$	Total \$
BALANCE AT 1 OCTOBER 2013				
Profit / (Loss) for the year		0	910,536	910,536
Dividends paid / or provided for	12c	0	(85,325)	(85,325)
BALANCE AT 30 SEPTEMBER 2014		403,862	2,791,838	3,195,700
Profit / (Loss) for the year		0	988,794	988,794
Dividends paid / or provided for	12c	0	(83,341)	(83,341)
BALANCE AT 30 SEPTEMBER 2015		403,862	3,697,291	4,101,153

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.



Statement of Cash Flows

For the year ended 30th September, 2015.

	Notes	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		11,734,136	15,022,590
Interest Received		107,277	73,668
Employee Salaries and Benefits		(2,202,282)	(2,213,953)
Payments to Suppliers		(8,433,756)	(11,882,658)
Net Cash Flows provided by Operating Activities	13a	1,205,375	999,647
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment and Intangibles		(121,178)	(32,505)
Proceeds from Sale of Property, Plant & Equipment		16,084	94,371
Net Cash Flows provided by / (used in) Investing Activities		(105,094)	61,866
CASH FLOWS FROM FINANCING ACTIVITIES			
OneCard Fuel Card Deposits		(595,824)	11,000
Dividends Paid		(85,325)	0
Net Cash Flows provided by / (used in) Financing Activities		(681,149)	11,000
NET INCREASE IN CASH HELD		419,132	1,072,513
CASH AND CASH EQUIVALENTS AT 1ST OCTOBER 2014		3,305,084	2,232,571
CASH AND CASH EQUIVALENTS AT 30TH SEPTEMBER 2015	5, 13b	3,724,216	3,305,084

The Statement of Cash Flows should be read in conjunction with the accompanying notes.



Note 1: Summary of significant accounting policies.

The financial statements are for MAPS Group Limited – trading as Procurement Australia (“The Company”), an individual entity limited by shares. The Company was incorporated 14th December 1992 and is domiciled in Australia. The purpose of the Company is to negotiate and facilitate contracts for common use goods and services on behalf of its members. Procurement Australia’s website is www.procurementaustralia.com.au.

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS). Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for 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 balances. The amounts presented in the financial statements have been rounded off to the nearest dollar unless stated otherwise.

(b) Trade and Other Receivables

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition. Collectability of debts is reviewed on an ongoing basis. A provision for doubtful debts is raised where doubt as to collection exists.

(c) Property, Plant and Equipment

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 8 Property, plant and equipment.

The fair value of plant, equipment and vehicles, is normally determined by reference to the asset’s depreciated replacement cost.

For the accounting policy on impairment of non-financial physical assets, refer to impairment of assets under Note 1(m) Impairment of assets.

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use. A summary of the depreciation method and depreciation rates for each class of attached is as follows:

Class of Asset	Depreciation Rate	Method
Plant & Equipment	20-33%	S/L
Motor Vehicles	30%	S/L
Intangible Assets	20-33%	S/L

Rates used are consistent with prior year.

d) Trade and Other Payables

These amounts represent liabilities for goods and services provided prior to the end of the financial year and which are unpaid. The normal credit terms are net 30 days.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable, from the Australian Taxation Office (ATO) in which case GST is recognised as part of the cost of acquisition of an asset or part of an item. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount 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 component of cash flows arising from investing or financing activities which are recoverable from or payable to the ATO are presented as operating cash flows.

(f) Income Tax

The Australian Taxation Office provided the Company with Income Tax exemption on 29 December 1995 stating that “the Company is exempt from income tax under paragraph 23(d) of the Income Tax Assessment Act (1936) on the grounds that it is a ‘public authority’. This exemption is effective for the years ending on or after 30 September 1996. Under this exemption, the Company will not be required to lodge a return for income tax purposes.

(g) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of 3 months or less and bank overdrafts.

(h) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the Company classified as finance leases. Finance leases are capitalised, recording an asset value of the minimum lease payments, including any guaranteed residual values. Leased assets are amortised over their estimated useful lives where it is likely that the entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(i) Employee Benefits

Provision is made for the Company’s liability for employee benefits arising from services rendered by employees to balance date. 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, plus related on-costs, including super and payroll tax. 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 including related on-costs.

Those cash flows are discounted using market yields on National Government Bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

(j) Revenue Recognition

Revenue is recognised in accordance with AASB 118. Income is recognised as revenue to the extent it is earned. Sales to the Company members not reported by suppliers at balance date are used as a base for the accrual of rebate revenue.

Revenues received for OneCard fuel product from member purchases, for the period October 2014 to June 2015 have been shown at their gross values reflecting the associated credit risk the Company would have been liable for if values were not collected. From July 2015 onwards the contract has been tendered whereby the Company, does not bear credit risk and therefore shown at the reduced balance to reflect the income element only. The inclusion of the gross sale figure to June 2015 increased reported total revenue by \$4,702,477 for the nine month period ending 30th June 2015 (\$9,156,321 year end 30th September 2014).

(k) Comparative Information

Where necessary the previous year’s figures have been reclassified to facilitate comparisons.

(l) Financial Instruments

RECOGNITION

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out opposite.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments.

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 stated at amortised cost using the effective interest rate method.

HELD-TO-MATURITY INVESTMENTS

These investments have fixed maturities, and it is the group’s intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equities.

FINANCIAL LIABILITIES

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

FAIR VALUE

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

IMPAIRMENT

At each reporting date, the group assess whether there is objective evidence that a financial instrument has been impaired.

(m) Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, to the asset’s carrying amount.

Any excess of the asset’s carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for intangible assets with indefinite lives.

(n) Other Intangibles

RESEARCH & DEVELOPMENT

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

(o) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

KEY ESTIMATES

(i) Fair Value of non-financial physical assets
At each balance date, the Company reviews the carrying value of the individual classes of non-financial physical assets to ensure that each asset materially approximates its fair value. Where the carrying value materially differs from the fair value the class of assets is revalued.

The Directors have made an assessment that the written down value of the plant and equipment the Company holds is a reasonable approximation of their fair values, based on the nature of these assets and insignificant fluctuation in their replacement cost.

(ii) Accrual of rebate revenue

At the end of each reporting period, the Company makes an estimate of the rebate revenues earned on sales made before the end of the reporting period, but had not been reported by the supplier to the Company at year end.

The Directors make this estimate based on previous reporting activity received and invoiced. The Directors believe this provides a reasonable basis for estimating this revenue earned.

KEY JUDGEMENTS

(i) Impairment

The Directors assess impairment at the end of each reporting period by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers. Should indicators of impairment exist, recoverable amounts of relevant assets are assessed using value-in-use calculations.

In the current year, the Directors were of the opinion that no such indicators of impairment existed over the Company's long-term assets, and no detailed impairment assessment was undertaken.

(ii) Provision for impairment of receivables

At the end of the reporting period, the Directors assesses whether any amounts included in trade receivables include amounts receivable which may be non-collectible. While there is some inherent uncertainty in relation to the recoverability of receivables generally, owing to the good credit history of the Company's clients, the Directors believe that the full amounts of the debts are recoverable and therefore no provision for impairment has been made.

(iii) Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the Company expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the Directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

(p) Provisions

Provisions are recognised when the Company 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.

(q) New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Company, together with an assessment of the potential impact of such pronouncements on the Company when adopted in future periods, are discussed below:

- *AASB 9: Financial Instruments (December 2014) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).*

These Standards will be applicable retrospectively (subject to the comment on hedge accounting below) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes made to the Standard that may affect the Company on initial application include certain simplifications to the classification of financial assets, upfront accounting for expected credit loss and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items.

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

- *AASB 15: Revenue from Contracts with Customers (applicable for annual reporting periods commencing on or after 1 January 2017).*

This Standard, when effective, will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers. The core principle of AASB 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step model:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract; and
- recognise revenue when (or as) the performance obligation is satisfied.

AASB 15 also requires enhanced disclosures regarding revenues. This Standard will require retrospective restatement and is available for early adoption.

Although the directors anticipate that the adoption of AASB 15 may have an impact on the Company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impacts.

(r) Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note, refer to Note 14 Capital & Leasing Commitments at their nominal value and inclusive of the GST payable. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

(s) Events After the Reporting Period

There were no events which occurred after the reporting date that require disclosure as a subsequent event.

(t) Contingent Assets and Contingent Liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer to Note 17 Contingent assets and contingent liabilities) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.



Note 2: Revenue.

	2015 \$	2014 \$
Sales Revenue		
Rebate Commission Revenues	4,679,552	4,521,803
Tenders Online	27,819	14,407
Awards Dinner and Conference	0	126,209
Forums & Seminars Revenue	10,741	2,000
OneCard Fuel & Management Fee Revenues	4,823,065	9,156,321
Sundry Revenue	127,120	30,561
Other Revenue		
Interest	107,277	73,668
Other Income		
Net Gain on Asset Disposal (refer Note 4)	12,826	41,261
Total Revenue	<u>9,788,400</u>	<u>13,966,230</u>



Note 3: Expenditure.

	2015 \$	2014 \$
Employee Expenses	2,194,241	2,203,814
Depreciation Plant & Equipment & Motor Vehicles	26,899	103,931
Amortisation of Intangible Assets	123,521	82,415
Leasing Rent and Outgoings	228,661	215,793
Promotional Activities	175,794	51,773
Doubtful Debt Provision	158	2,474
Auditors Remuneration - Audit Services (Refer Note 15)	18,300	12,478
Awards Dinner and Conference	7,636	161,547
Business Development	41,339	45,954
Printing Postage Stationery	41,178	39,646
Travel Accommodation and Entertainment	125,297	106,795
Computer	327,641	362,905
Vehicle Running	15,799	40,281
Insurance	22,251	19,721
Utilities and Maintenance	37,084	34,015
Incidentals	468,475	301,533
Financial Legal Secretarial	128,355	61,852
Online Catalogue	6,334	25,335
Directors' Fees	108,802	122,194
Loss on Sale of Fixed Assets	0	2,078
OneCard Cost of Sales	4,701,841	9,059,160
Total Expenses from Ordinary Activities	8,799,606	13,055,694



Note 4: Sale of Non-Current Assets.

	2015 \$	2014 \$
Proceeds from Disposals of Assets	16,084	82,003
Less: Written-Down Value of Assets Sold	(3,258)	(40,742)
Profit returned on sale of Non-Current Assets	12,826	41,261
Non-Current Assets - Sales with Profit		
Proceeds from Disposals of Assets	0	12,368
Less: Written-Down Value of Assets Sold	0	(14,446)
Loss returned on sale of Non-Current Assets	0	(2,078)
Net Gain (Loss) on Disposal	12,826	39,183



Note 5: Cash and Cash Equivalents.

	2015 \$	2014 \$
Cash on Hand and at Bank	234,350	1,022,513
Short Term Bank Deposits	3,489,866	2,282,571
Effective interest rate 3.33% average maturity 3 months (2014: 3.6% and 3 months)		
	3,724,216	3,305,084



Note 6: Trade and other Receivables.

	2015 \$	2014 \$
Trade debtors	429,125	1,414,026
Accrued Revenue	456,199	335,142
Less Provision for Impairment of Receivables	0	(2,501)
Total Receivables	885,324	1,746,667

Note 6: Provision for Impairment of Receivables

Current trade and term receivables are non-interest bearing loans and generally on 30 day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. No provision for impairment is recognised.

Movement in the provision for impairment of receivables is as follows:

	Opening Balance 1/10/2014 \$	Change for the year 2014-15 \$	Amounts written off 2014-15 \$	Closing Balance 30/09/2015 \$
Current Trade Receivables	2,501	(2,501)	0	0
	2,501	(2,501)	0	0
	Opening Balance 1/10/2013 \$	Change for the year 2013-14 \$	Amounts written off 2013-14 \$	Closing Balance 30/09/2014 \$
Current Trade Receivables	0	2,701	(200)	2,501
	0	2,701	(200)	2,501

There are no balances within trade or other receivables that contain assets that are not impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full.



Note 7: Other Assets.

	2015 \$	2014 \$
Prepayments	74,974	55,507



Note 8: Property, Plant & Equipment.

	2015 \$	2014 \$
FAIR VALUE	213,802	223,959
Property, Plant & Equipment	173,199	176,187
Less Accumulated Depreciation	40,603	47,772
Total Property, Plant & Equipment at Fair Value	40,603	47,772

FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS AS AT 30 SEPTEMBER 2015

	Carrying Amount as at 30-Sep-15	Fair Value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
Plant, Equipment and Vehicles at Fair Value	0			0
Vehicles	40,603			40,603
Plant and Equipment				
Total of Plant, Equipment and Vehicles at Fair Value	40,603			40,603

Vehicles

Vehicles are valued using the depreciated replacement cost method. MAPS Group acquires new vehicles and at times disposes of them before the end of their economic life.

Plant and equipment

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

There were no changes in valuation techniques throughout the period to 30 September 2015.

For all assets measured at fair value, the current use is considered the highest and best use.

Reconciliations of the carrying amounts of each class of plant & equipment and motor vehicles at the beginning and end of the current financial year is set out below.

LEVEL 3 TANGIBLE ASSETS - IDENTIFIED AS:

Assets whose valuation techniques for which the lowest level input that is significant to the fair value measurement are unobservable.	Plant & Equipment \$		Motor Vehicles \$		Total \$	
	2015	2014	2015	2014	2015	2014
Opening Balance	40,371	76,743	7,401	97,643	47,772	174,386
Additions	22,988	32,505	0	0	22,988	32,505
Disposals	0	0	(3,258)	(55,188)	(3,258)	(55,188)
Transfers	0	0	0	0	0	0
Depreciation (see note 3)	(22,756)	(68,877)	(4,143)	(35,054)	(26,899)	(103,931)
Closing Balance	40,603	40,371	0	7,401	40,603	47,772

DESCRIPTION OF SIGNIFICANT UNOBSERVABLE INPUTS TO LEVEL 3 TANGIBLE ASSET VALUATIONS:

	Significant Unobservable Inputs	Range / Cost (weighted average)	Sensitivity of Fair Value measurement to changes in Significant Observable Inputs
Plant & Equipment	Cost per unit \$	240 to 20,000 (average 4,330 per unit) (2014: 240 to 20,000 average 4,330 per unit)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
	Useful life of plant & equipment	3 to 5 years (2014: 3 to 5 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Motor Vehicles	Cost per unit \$	0 (2014: \$33,145)	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
	Useful life of plant & equipment	3 years (2014: 3 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

Note 9: Intangibles.

	2015 \$	2014 \$
At Cost	867,641	769,451
Impairment Provision	(482,437)	(482,437)
Less Accumulated Amortisation	(236,535)	(113,015)
Total Intangible Assets Carrying Value	148,669	173,999

RECONCILIATION OF CARRYING AMOUNTS

	Customer Relationship Management Software System \$		Online Contract “Lookup” Software System \$	
	2015	2014	2015	2014
Opening Balance	0	0	0	0
Additions	29,225	0	68,965	0
Disposals	0	0	0	0
Transfers	0	0	0	0
Impairment Provision	0	0	0	0
Amortisation (see note 3)	0	0	0	0
Closing Balance	29,225	0	68,965	0

Note: The above customer relationship management and online contract lookup systems were commenced August/September 2015 respectively. At 30 September 2015, development of these systems is yet to be completed, and as such they are not yet in the condition necessary to be capable of operating in the manner intended by management, and hence no amortisation has yet to be charged on these assets.

RECONCILIATION OF CARRYING AMOUNTS

	E-Procurement Software System \$		OneCard Fuel Product \$		Total \$	
	2015	2014	2015	2014	2015	2014
Opening Balance	98,280	155,455	75,719	100,959	173,999	256,414
Additions	0	0	0	0	98,190	0
Disposals	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Impairment Provision	0	0	0	0	0	0
Amortisation (see note 3)	(98,280)	(57,175)	(25,240)	(25,240)	(123,520)	(82,415)
Closing Balance	0	98,280	50,479	75,719	148,669	173,999

Note 10: Payables.

CURRENT

	2015 \$	2014 \$
Trade Creditors	189,578	934,097
Accrued Expenses	129,750	114,851
PAYG and GST Payable	112,521	144,181
OneCard Fuel Deposit	0	595,824
Superannuation	22,434	16,001
Dividends Payable	83,341	85,325
	537,624	1,890,279

Note 11: Provisions.

SHORT TERM

	2015 \$	2014 \$
Accrued Staff Bonuses	51,576	85,640
Annual Leave	105,229	87,186
Long Service Leave – expected to be settled within 12 months	33,797	27,683
Unpaid FBT	876	12,290
Total	191,478	212,799

LONG TERM

Long Service Leave – expected to be settled after 12 months	43,531	30,251
Total Provisions	235,009	243,050

Note 12: Equity and Reserves.

	2015 \$	2014 \$
(a) CONTRIBUTED EQUITY		
396,862 (2014: 396,862) ordinary shares fully paid	403,862	403,862

(b) RETAINED EARNINGS	2015 \$	2014 \$
Retained Earnings at the beginning of the year	2,791,838	1,966,627
Net Result for the year	988,794	910,536
Dividends Paid / Payable	(83,341)	(85,325)
Retained Earnings at the end of the year	3,697,291	2,791,838

(c) DIVIDENDS

Dividends recognised in the current year by the Company are:

21 cents per share – (2014: final unfranked ordinary dividend – 21.5 cents).	(83,341)	(85,325)
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Note 13: Reconciliation of Net Result for the Year to Net Cash Flows from Operating Activities.

(a) RECONCILIATION OF NET CASH USED IN OPERATING RESULT	2015 \$	2014 \$
Profit from ordinary activities after income tax	988,794	910,536

NON-CASH MOVEMENTS

Depreciation	26,899	103,931
Amortisation	123,521	82,415
Doubtful Debts prov/(prov write back)	(2,501)	2,501
Loss / (Gain) on disposal of non-current assets	(12,826)	(39,183)
Increase/(Decrease) in Employee Entitlements	(8,041)	(10,139)
Increase/(Decrease) in Payables	(754,848)	132,592
Decrease/(Increase) in Prepayments	(19,467)	(2,653)
Decrease/(Increase) in Receivables	863,844	(180,353)
Net Cash From Operating Activities	1,205,375	999,647

(b) RECONCILIATION OF CASH

Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash on Hand and at Bank	234,350	1,022,513
Term Deposits	3,489,866	2,282,571
Cash and Cash Equivalents	3,724,216	3,305,084

Note 14: Capital and Leasing Commitments.

(a) OPERATING LEASE COMMITMENTS	2015 \$	2014 \$
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
Payable		
Not later than 1 year	211,377	248,019
Later than 1 year but not later than 5 years	0	211,377
Later than 5 years	0	0
	211,377	459,396

A seven-year lease has been signed on 447 Auburn Rd Hawthorn, the Victorian and National Offices whose expiry is set for August 2016.

(b) CAPITAL COMMITMENTS

At 30 September 2015, the Company has no capital commitments.

Note 15: Auditor's Remuneration.

	2015 \$	2014 \$
Amounts received, or due and receivable for auditing the accounts by:		
– Victorian Auditor-General (External Audit)	18,300	12,478
	18,300	12,478

Note 16: Related Party Transactions.

(a) THE NAMES OF DIRECTORS WHOM HAVE HELD OFFICE DURING THE FINANCIAL YEAR ARE:

Mr Ken McNamara, Ms Susan Riley, Ms Lydia Wilson, Ms Vijaya Vaidyanath, Mr Stephen Griffin, Mr Glenn Patterson (appointed 29th May'15), Mr Brendan McGrath (appointed 25th Sep'15) and Mr John Ravlic (resigned 21st Jan'15). No Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving Directors' interests subsisting at year end.

	2015 \$	2014 \$
(b) INCOME PAID OR PAYABLE TO DIRECTORS	96,175	110,925

Number of Directors whose income from the company was within the following bands:

\$1,000-\$9,999	3	2
\$10,000-\$19,999	4	4
\$20,000-\$29,999	1	2

	2015 \$	2014 \$
(c) AMOUNTS OF A PRESCRIBED BENEFIT GIVEN DURING THE YEAR BY THE COMPANY TO A PRESCRIBED SUPERANNUATION FUND ON BEHALF OF DIRECTORS	7,629	7,431

(d) OTHER TRANSACTIONS OF RESPONSIBLE PERSONS AND THEIR RELATED ENTITIES

For the year ending 30th September 2015 one Board member was engaged to provide professional support and mentoring services to the CEO.

Ms. L. Wilson	800	4,400
	800	4,400

MAPS Group Ltd did not make payments to other contractors charged with significant management responsibilities from 1st October 2014 to 30th September 2015

(e) EXECUTIVE OFFICERS' REMUNERATION

The number of executive officers, other than responsible persons, whose total remuneration falls within the bands above \$100,000 at 30 September 2015 are as follows:

Income Band \$	2015 \$	2014 \$
\$100,000-\$109,999	-	1
\$110,000-\$119,999	1	-
\$130,000-\$139,999	-	1
\$150,000-\$159,999	1	1
\$160,000-\$169,999	1	1
\$190,000-\$199,999	1	-
\$200,000-\$209,999	-	1
\$220,000-\$229,999	1	-
Total number of employees for the above bands	5	5
Aggregate remuneration for bandings above	858,108	753,550

Note 17: Contingent Assets and Contingent Liabilities.

	2015 \$	2014 \$
Contingent Liabilities		
Bank Guarantees related to 447 Auburn Road, Hawthorn East, Victoria 3123	73,854	73,854
Total Contingent Liabilities	73,854	73,854

There are no known contingent assets for the company.

Note 18: Events Occurring after Reporting Date.

Since 30 September 2015 no matter or circumstance has arisen which has significantly affected, or which may significantly affect, the operations of the organisation or of a related entity.

Note 19: Financial Instruments.

(a) FINANCIAL RISK MANAGEMENT

The entity's financial instruments consist mainly of deposits with banks, short term investments, accounts receivables and payables and leases. The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

The main risks the entity is exposed to through its financial instruments are market risk, funding risk, interest rate risk, credit risk and liquidity risk.

MARKET RISK

The entity in its daily operations is exposed to a number of market risks. Market risks relate to the risk that market rates and prices will change and that this will have an adverse affect on the operating result and/or net worth of the entity.

There has been no significant change in the entity's exposure, or its objectives, policies and processes for managing market risk or the methods used to measure this risk from the previous reporting period.

Interest Rate Risk

The entity has no long term borrowings, and so is not exposed to any borrowing interest rate risk. The entity has minimal exposure to interest rate risk through its holding of cash assets and other financial assets. The entity manages its interest rate risk by maintaining a diversified investment portfolio.

Sharemarket Risk

The entity has no share portfolio, and so no sharemarket risk.

Foreign Exchange Risk

The entity has no exposure to changes in the foreign exchange rate.

Other Price Risk

The entity has no significant exposure to Other Price Risk.

FUNDING RISK

Funding risk is the risk of over reliance on a funding source to the extent that a change in that funding source could impact on the operating result for the current year and future years. There has been no significant change in the entity's exposure, or its objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period.

CREDIT RISK EXPOSURES

The entity's maximum exposures to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Statement of Financial Position.

Concentration of Credit Risk

The entity minimises concentrations of credit risk in relation to trade accounts receivable by not undertaking transactions with many customers due to the nature of the entity operations.

Credit risk in trade receivables is managed in the following ways:

- Payment terms are 30 days from date of invoice.
- Payments are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the entity. Payables are normally settled on 30 day terms.
- Debtors with accounts in excess of 30 days are sent a statement of account, indicating terms to make payment.
- Debtors with arrears are sent a reminder notice to make payment before reference of their debt to a debt collection agency.
- Debtors which represent government departments or agencies are not referred to a debt collection agency, but managed by the entity directly with agency contacts.

LIQUIDITY RISK

Liquidity risk is the risk of being unable to meet financial obligations as they fall due.

The entity manages liquidity risk by monitoring cash flows and ensuring that maximum funds are available for investment and payment of financial liabilities.

There has been no significant change in the entity's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period. The entity's financial liability maturities have been disclosed at Note 19 (b).

(b) INTEREST RATE RISK

The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities.

Financial Instruments	Non-Interest-Bearing		Floating Interest Rate		Fixed Interest Rate Maturing In:						Total Carrying Amount Per Balance Sheet	
					1 year or less		1 - 5 Years		Over 5 years			
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets												
Cash			234,350	1,022,513	3,489,866	2,282,571					3,724,216	3,305,084
Receivables	885,324	1,746,667									885,324	1,746,667
Other Financial Assets											0	0
Total Financial Assets	885,324	1,746,667	234,350	1,022,513	3,489,866	2,282,571	0	0	0	0	4,609,540	5,051,751
Financial Liabilities												
Payables	537,624	1,890,279									537,624	1,890,279
Interest Bearing Liabilities											0	0
Total Financial Liabilities	537,624	1,890,279	0	0	0	0	0	0	0	0	537,624	1,890,279
Net Financial Asset/ Liabilities	347,700	(143,612)	234,350	1,022,513	3,489,866	2,282,571	0	0	0	0	4,071,916	3,161,472
Weighted average interest rate			1.2%	1.6%	3.3%	3.6%						

Note 19: Financial Instruments (continued).

(c) MARKET RISK ON FINANCIAL INSTRUMENTS

The objective of managing interest risk is to minimise and control the risks of losses due to interest rate changes and to take advantage of potential profits.

Policy in managing the interest risk:

Interest risk is managed by monitoring the outlook for interest rates and holding cash in cheque and term deposits at three banking institutions.

Sensitivity analysis on interest risk:

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of financial markets, the entity believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of between -1+1 % and -1+1 % in interest rates from year-end rates.

The following tables disclose the impact on net operating result and equity for each category of financial instrument held by the entity at year end as presented to key management personnel.

INTEREST RATE EXPOSURE 2015	Current Rate (%)	Amount	Annual return at current rate	Rates moved by	
				-1% Possible effect Profit or loss	1% Possible effect Profit or loss
Financial Assets					
Cash at Bank	1.20%	234,350	2,812	(2,344)	2,344
Cash and Cash Equivalents	3.33%	3,489,866	116,213	(34,898)	34,898
Receivables	0.00%	885,324	0	0	0
Other Financial Assets	0.00%	0	0	0	0
Total Financial Assets		4,609,540	119,025	(37,242)	37,242
Financial Liabilities					
Trade Creditors and Accruals	0.00%	537,624	0	0	0
Interest Bearing Liabilities	0.00%	0	0	0	0
Total Financial Liabilities		537,624	0	0	0
Possible effect movement in interest income in profit or loss				(37,242)	37,242

INTEREST RATE EXPOSURE 2014	Current Rate (%)	Amount	Annual return at current rate	Rates moved by	
				-1% Possible effect Profit or loss	1% Possible effect Profit or loss
Financial Assets					
Cash at Bank	1.60%	1,022,513	16,372	(10,225)	10,225
Cash and Cash Equivalents	3.60%	2,282,571	82,277	(22,826)	22,826
Receivables	0.00%	1,746,667	0	0	0
Other Financial Assets	0.00%	0	0	0	0
Total Financial Assets		5,051,751	98,649	(33,051)	33,051
Financial Liabilities					
Trade Creditors and Accruals	0.00%	1,890,279	0	0	0
Interest Bearing Liabilities	0.00%	0	0	0	0
Total Financial Liabilities		1,890,279	0	0	0
Possible effect movement in interest income in profit or loss				(33,051)	33,051

(d) FAIR VALUE

The carrying amounts and fair values of financial assets and financial liabilities at balance date are:

INTEREST RATE EXPOSURE 2014	2015		2014	
	Carrying Value \$	Fair Value \$	Carrying Value \$	Fair Value \$
Financial Assets				
Cash and Cash Equivalents	3,724,216	3,724,216	3,305,084	3,305,084
Receivables	885,324	885,324	1,746,667	1,746,667
Other Financial Assets	0	0	0	0
Total Financial Assets	4,609,540	4,609,540	5,051,751	5,051,751
Financial Liabilities				
Trade Creditors and Accruals	537,624	537,624	1,890,279	1,890,279
Interest Bearing Liabilities	0	0	0	0
Total Financial Liabilities	537,624	537,624	1,890,279	1,890,279

The fair value of instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the entity is the current bid price.

Cash, cash equivalents and non-interest bearing financial assets and financial liabilities are carried at cost, which approximates their fair value.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables.

The fair value of financial liabilities for disclosure purposes is estimated by discounting future cash flows at the current market interest rate that is available to the entity for similar financial assets.



MAPS Group Limited Declaration By Directors

Financial Statements Year Ended 30th September 2015.

The Directors of the company declare that:

1. The financial statements and notes of the company set out on pages 37 to 60:
 - a) gives a true and fair view of the company's financial position as at 30th September 2015 and its performance and cash flows for the year ended on that date in accordance with Australian Accounting Standards; and
 - b) comply with the Corporations Act 2001.
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 and is signed on behalf of the Directors by:

Dated this 27th day of November 2015.

Ken McNamara, Chair of Board of Directors and Finance & Governance Committee.

Registered Office.

Maps Group Limited - Trading as Procurement Australia.
447 Auburn Road, Hawthorn East, Victoria 3123.

Location of Share Register.

Maps Group Limited - Trading as Procurement Australia.
447 Auburn Road, Hawthorn East, Victoria 3123.
Call 03 9810 8600 Visit procurementaustralia.com.au

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Company Values:



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