

PRIME SUPER PTY LTD

A.B.N. 81 067 241 016

Financial Statements for the Year Ended 30 June 2014

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The Directors have pleasure in submitting the financial statements of the company for the year ended 30 June 2014 and report as follows:

Directors

The names of the Directors in office during the year and up to the date of signing this report are:

Alan Bowman – Chairman
Russell Collison (Appointed 28 August 2013)
David Cooper
Trevor Dixon – Deputy Chairman
Duncan Fraser
Russell Higginbotham (Ceased 30 April 2014)

Principal Activity

The principal activity of the company during the financial year was to act as Trustee of the Prime Super Fund. The Trustee incurs costs in running the Fund and charges trustee services fees to recover these costs. No significant change in the nature of the activity occurred during the period.

Results

The company charged trustee services fees equivalent to the costs incurred in running the Fund during the year.

Dividends

No amounts have been paid or are recommended to be paid by way of dividend during the financial year.

Significant Changes in the State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the company that occurred during the financial year under review.

Significant Events after the Balance Date

There are no significant events after the balance date that are not noted elsewhere in these financial statements.

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

Insurance of Directors and Officers

During the financial year, Prime Super Fund has paid premiums in respect of a contract involving all the Directors and Prime Super Pty Ltd against costs incurred in defending proceedings for conduct including:

- a) wrongful acts as defined in the policy
- b) a contravention of Section 182 or 183 of the Corporations Act 2001 as permitted by section 199B of the Corporations Act 2001.

The total amount of insurance contract premiums paid was \$150,578 (2013: \$108,031).

Likely developments and expected results of operations

There are no expected charges to the nature of the company's activities.

Environmental Regulation and Performance

The company is not governed by any environmental regulations.

Auditor's Independence and Non-audit Service

The Directors have received an independence declaration included on page 5 from the auditor of Prime Super Pty Ltd.

The auditor did not provide any non-audit services during the financial year.

Directors Benefits

During the financial year and since the financial year end, no Directors of Prime Super Pty Ltd have received or become entitled to receive a benefit, by reason of a contract entered into by the company or by any entity that the company controlled or a body corporate that was related to the company when the contract was made, or when the Director received, or became entitled to receive, the benefit with:

- a firm of which a Director is a member, or
- an entity in which a Director has a substantial financial interest.


The aggregate amount of remuneration received and due to be received by the directors is shown in Note 6 of the financial statements.

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

This report has been made in accordance with a resolution of the Directors.



Director



Director


Dated this 23rd day of September 2014

Melbourne, Victoria

Auditor's Independence Declaration to the Directors of Prime Super Pty Ltd

In relation to our audit of the financial report of Prime Super Pty Ltd for the financial year ended 30 June 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young



Maree Pallisco
Partner
Melbourne
10 October 2014

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
Current Assets			
Cash and Cash Equivalents		2	2
Sundry Debtors		6,915	10,785
Total Current Assets		<u>6,917</u>	<u>10,787</u>
Total Assets		<u>6,917</u>	<u>10,787</u>
Current Liabilities			
GST Payable		6,915	10,785
Total Current Liabilities		<u>6,915</u>	<u>10,785</u>
Net Assets		<u>2</u>	<u>2</u>
Equity			
Contributed Equity	4	2	2
Total Equity		<u>2</u>	<u>2</u>

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
COMPREHENSIVE INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Total Revenue		534,453	549,621
Total Expenses		534,453	549,621
Tax Expense		<u>-</u>	<u>-</u>
Net Profit or Loss		-	-
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>-</u>	<u>-</u>

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Issued Capital			
As at 1 July		2	2
Net Profit or Loss		-	-
Other comprehensive income for the year		-	-
Transaction with owners		<u>-</u>	<u>-</u>
As at 30 June		<u>2</u>	<u>2</u>

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Cash Flows from Operating Activities		-	-
Net cash flows from Operating Activities		-	-
Net cash flows from Investing Activities		-	-
Net cash flows from Finance Activities		-	-
Opening Cash and Cash Equivalents Brought Forward		2	2
Closing Cash and Cash Equivalents		<u>2</u>	<u>2</u>

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1. CORPORATE INFORMATION

Prime Super Pty Ltd is a small proprietary company incorporated in Australia.

The nature of the operations and principal activities of the Company are described in Note 3.

Prime Super Pty Ltd is economically dependent on the Prime Super Fund. Prime Super Pty Ltd is domiciled in Victoria, Australia and its registered office address is Level 15, 190 Queen Street, Melbourne, Victoria 3000.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

This financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, and other authoritative pronouncements of the Australian Accounting Standards Board as required by the company's RSE licence conditions.

All amounts are expressed in Australian dollars.

b) Statement of Compliance

The Financial Report complies with Australian Accounting Standards issued by the Australian Accounting Standards Board and International Financial Reporting standards issued by the International Accounting Standards Board.

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective, have not been adopted by the company for the annual reporting period ending 30 June 2014. These standards are not expected to have a significant impact on the financial statements.

c) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and that it can be reliably measured, regardless of when the payment is being made.

Revenue is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Trustee services fees are recognised when the costs are incurred by the trustee in running the Fund.

d) Cash and Cash Equivalents

All income and expenses of the company are processed through the Prime Super bank accounts.

PRIME SUPER PTY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents in the balance sheet comprise of Cash at bank.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

e) Contributed Equity

Ordinary shares are classified as equity.

f) Significant Accounting Judgements

There have been no significant accounting estimates or judgements for the year ended 30 June 2014.

g) Financial Risk Management Objectives and Policies

The company has no material financial risk.

h) Receivables and other payables

Receivables are carried at nominal amounts due which approximate net market value. Receivables and payables are normally settled within 30 days. The receivable represents trustee fees owed to the trustee by the fund.

i) Goods and services tax (GST)

Revenues are recognised net of the amount of GST where applicable. Expenses and assets are also recognised net of the amount of GST where applicable to the extent that the GST is recoverable from the taxation authority.

The net amount of GST payable to the taxation authority is included as part of current liabilities in the Balance sheet.

NOTE 3. TRUSTEE OBLIGATIONS

The company acts solely as Trustee of the Prime Super Fund (the Fund). In this capacity the Trustee is entitled to receive trustee services fees, calculated by reference to the costs incurred by the trustee in running the Fund.

These financial statements have been prepared for the Trustee company (Prime Super Pty Ltd) and as such do not record the assets and liabilities of the Fund as the Trustee will only be liable for the obligations of the Fund if it committed a breach of its fiduciary duties, or to the extent that the Fund has insufficient assets to settle its obligations.

At balance date, the assets of the Fund are sufficient to meet its liabilities, and there has been no breach of fiduciary duties of the company in its capacity as Trustee.

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 4. CONTRIBUTED EQUITY

	2014 \$	2013 \$
Issued and paid capital:		
2 ordinary shares of \$1.00 each	2	2
Total Issued and Paid Up Capital	<u>2</u>	<u>2</u>

NOTE 5. KEY MANAGEMENT PERSONNEL

Directors

The Company Key Management Personnel during the reporting year and up to the date of signing the financial report were:

Directors

Alan Bowman – Chairman
Russell Collison (Appointed 28 August 2013)
David Cooper
Trevor Dixon – Deputy Chairman
Duncan Fraser
Russell Higginbotham (Ceased 30 April 2014)

Company Secretary

Lachlan Baird

NOTE 6. DIRECTOR AND EXECUTIVE REMUNERATION

As an Industry Superannuation Fund, Prime Super is run only to benefit members. The Fund's remuneration practices are set out in a Remuneration Policy maintained by the Board.

Director Remuneration

The Prime Super Board is responsible for reviewing and setting Directors' remuneration.

Remuneration is set at a level that recognises the responsibilities of Directors, acknowledges the expectations of Directors at law, is set at a level that is comparative to market, and encompasses all activities of Directors.

Directors are separately remunerated for additional activities they undertake on behalf of the Board, outside their normal duties. Remuneration for such activities is only payable where the Chairman/Board has approved of those activities.

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6. DIRECTOR AND EXECUTIVE REMUNERATION (CONTINUED)

The Chairman and Deputy Chairman receive a higher level of remuneration as a reflection of the increased workload and responsibility associated with those roles.

	Position Held	Date Appointed to Board	Date Appointed to Role	Date Ceased
Alan Bowman	Chair	26 January 2001	1 January 2011	
Virginia Collins	Director	2 August 2001		19 June 2013
Russell Collison	Director	28 August 2013		
David Cooper	Director	1 July 2009		
Bradley Crofts	Deputy Chair	4 January 2010	1 January 2011	19 June 2013
Trevor Dixon	Deputy Chair	5 April 2004	28 August 2013	
Duncan Fraser	Director	25 August 2010		
Russell Higginbotham	Director	5 April 2004		30 April 2014

Director remuneration is set out in the following table:

Director	Short Term Benefits				Post-Employment Benefits		Termination Payments	Total
	Cash salary (1)	Additional Remuneration (2)	Other short term compensation	Non-monetary Benefits	Pension and Superannuation benefits	Other post-employment benefits		
	\$	\$	\$	\$	\$	\$	\$	\$
Alan Bowman								
2014	61,785	-	-	-	5,715	-	-	67,500
2013	67,500	-	-	-	-	-	-	67,500
Virginia Collins								
2014	-	-	-	-	-	-	-	-
2013	47,248	-	-	-	4,252	-	-	51,500
Russell Collison (3)								
2014	43,113	-	-	-	368	-	-	43,481
2013	-	-	-	-	-	-	-	-
David Cooper								
2014	47,140	4,816	-	-	4,360	-	-	56,316
2013	47,248	-	-	-	4,252	-	-	51,500
Bradley Crofts								
2014	-	-	-	-	-	-	-	-
2013	51,972	2,043	-	-	4,678	-	-	58,693
Trevor Dixon								
2014	51,533	-	-	-	4,767	-	-	56,300
2013	47,248	-	-	-	4,252	-	-	51,500
Duncan Fraser								
2014	47,140	-	-	-	4,360	-	-	51,500
2013	47,248	-	-	-	4,252	-	-	51,500
Russell Higginbotham								
2014	39,283	-	-	-	3,634	-	-	42,917
2013	47,248	-	-	-	4,252	-	-	51,500

(1) Includes any salary sacrifice items.

(2) Includes any superannuation guarantee components.

(3) Of the remuneration payable to Mr Collison, 90% is paid to his employer The Australian Workers Union, and 10% is paid to his superannuation fund, as a combination of superannuation guarantee and salary sacrifice contributions.

No share based remuneration or long term benefits are paid or payable to Directors.

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6. DIRECTOR AND EXECUTIVE REMUNERATION (CONTINUED)

Executive Remuneration

To achieve its goals in relation to executive staff, the Remuneration Policy is designed to:

- Encourage executives to perform to their fullest capacity;
- Be business focused and flexible;
- Be competitive and cost effective in each relevant employment market; and
- Be internally consistent.

Executive remuneration may incorporate fixed and variable performance elements with both a short term and long term focus.

In setting any performance-based component of remuneration, the Prime Super Board ensures that the performance-based component supports:

- protecting the interests, and meeting the reasonable expectations, of members;
- the long term soundness of the Fund Trustee and the Fund; and
- the risk management framework of the Fund Trustee.

(a) Chief Executive Officer Remuneration

The Prime Super Board is responsible for reviewing and setting the level and structure of remuneration of the Chief Executive Officer, including the assessment of any annual performance bonus to be awarded.

The Chief Executive Officer's remuneration has due regard to industry practice and comparative information, and is set at levels and is structured to attract, motivate, reward and retain good performers to drive the Fund efficiently.

(b) Other Executives Remuneration

The Chief Executive Officer is responsible for reviewing and setting the level and structure of remuneration of the other Executives.

Other Executives' remuneration has due regard to industry practice, comparative information and the financial constraints of the business, and is set at levels and is structured to attract, motivate, reward and retain good performers to drive the Fund efficiently.

The Chief Executive Officer undertakes an annual review of the performance of the other Executives, including the assessment of any annual performance bonus to be awarded.

	Position Held	Date Appointed to Role
Lachlan Baird	Chief Executive Officer	21 March 2005
Stephen Pratt	General Manager, Operations	7 January 2008

PRIME SUPER PTY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6. DIRECTOR AND EXECUTIVE REMUNERATION (CONTINUED)

Executive remuneration is set out in the following table:

Executive	Short Term Benefits				Post-Employment Benefits		Termination Payments	Total
	Cash salary and short term compensated absences (1)	Short term cash and other bonuses (2)	Non-monetary Benefits	Other short term employee benefits	Pension and Superannuation benefits	Other post-employment benefits		
	\$	\$	\$	\$	\$	\$	\$	\$
Lachlan Baird								
2014	292,537	34,650	8,898	-	25,000	-	-	361,085
2013	275,828	30,000	9,141	-	24,659	-	-	339,628
Stephen Pratt								
2014	218,436	28,560	9,005	-	20,151	-	-	276,152
2013	201,884	21,640	13,281	-	17,509	-	-	254,314

(1) Includes any salary sacrifice items.

(2) Includes any superannuation guarantee components.

No share based remuneration or long term benefits are paid or payable to Executives.

The net movements in annual leave and long service leave accruals for executive staff are set out in the following table:

Executive	Short term benefits	Long term benefits
	Cash salary and short term compensated absences ⁽¹⁾	Other long-term employee benefits ⁽²⁾
	\$	\$
Lachlan Baird		
2014	4,967	7,237
2013	12,852	5,702
Stephen Pratt		
2014	17,021	-
2013	-516	-

(1) Comprises the net movement in annual leave accruals, including any leave loading applicable, determined in accordance with AASB 119 Employee Benefits;

(2) Comprises the net movement in long service leave accruals determined in accordance with AASB 119 Employee Benefits.

PRIME SUPER PTY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6. DIRECTOR AND EXECUTIVE REMUNERATION (CONTINUED)

Performance-based components of Executive remuneration are set out in the following table:

Executive	Date granted	Nature of compensation granted	Service and performance criteria	% that was paid/vested in the financial year	% that was forfeited in the financial year
Lachlan Baird	27/08/2014	Cash bonus	Out-performance when measured against pre-agreed Key Performance Indicators (KPIs). The KPIs include measures relating to the Fund and the individual, and include financial, people, member, strategy and risk measures.	100	0
Stephen Pratt	18/06/2014	Cash bonus	Out-performance when measured against pre-agreed Key Performance Indicators (KPIs). The KPIs include measures relating to the Fund and the individual, and include financial, people, member, strategy and risk measures.	100	0

NOTE 7. RELATED PARTIES

Alan Bowman, Russell Collison, David Cooper, Trevor Dixon, Duncan Fraser and Russell Higginbotham are directors of Agricultural Company of Australia Pty Ltd (incorporated in Australia), an investment company established by the Fund. The Fund holds 100% of the issued capital in the company.

The fund disposed of its investment in CCSL Limited on 15 April 2011. The final settlement of \$500,000 was deferred to 15 April 2014. The payment of this amount plus interest has since been received, subsequent to year end.

David Cooper was a partner at Freehills (now Herbert Smith Freehills), a legal firm, until 31 December 2009 and is now a consultant to the firm. Herbert Smith Freehills is one of the legal firms the Fund engages for legal advice on a purely arm's length commercial basis. Legal fees paid to Herbert Smith Freehills in 2014 were \$44,439 (2013: \$53,073).

David Cooper is Company Secretary for each company in the Avis Australia group and Budget Australia group of companies. The Fund from time to time, in the ordinary course of business, will rent vehicles through Avis Australia and Budget Australia on a purely arm's length commercial basis. The total cost of hiring vehicles through Avis Australia and Budget Australia for the year ended 30 June 2014 was \$5,889 (2013: \$898).

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 8. AUDITORS' REMUNERATION

	2014	2013
	\$	\$
Amounts received or due and receivable by the auditors for auditing services and other services paid by Prime Super Fund on behalf of Prime Super Pty Ltd:		
Audit of financial statements	<u>4,510</u>	<u>4,400</u>
	<u><u>4,510</u></u>	<u><u>4,400</u></u>

NOTE 9. SIGNIFICANT EVENTS AFTER BALANCE DATE

There have been no significant events after balance date that should be included in the financial statements that have not been noted elsewhere in these financial statements.

NOTE 10. CONTINGENCIES

A contingency exists relative to future claims, which may be made against the company arising from trusteeship dealings. However, for the years ended 30 June 2014 and 30 June 2013, we do not believe that there are any contingent liabilities.

-End of Financial Statements-

PRIME SUPER PTY LTD
A.B.N. 81 067 241 016
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2014

In the opinion of the directors:

The financial report and notes of the company are in accordance with the Corporations Act 2001, including:

1. giving a true and fair view of the Company's financial position as at 30 June 2014 and their performance for the year ended on that date; and
2. complying with the Australian Accounting Standards, International Financial Reporting Standards as disclosed in note 2b and Corporations Regulations 2001; and
3. at the date of this statement, there are reasonable grounds to believe the Company will be able to pay its debts as and when they become due.

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



Director

Director

Dated this 23rd day of September 2014

Melbourne, Victoria

Independent auditor's report to the members of Prime Super Pty Ltd

Report on the Financial Report

We have audited the accompanying financial report of Prime Super Pty Ltd, which comprises the statement of financial position as at 30 June 2014, and the operating statement, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

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

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

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

Independence

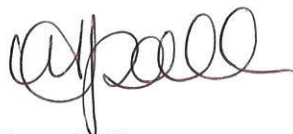
In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration.

Auditor's Opinion

In our opinion:

- a. the financial report of Prime Super Pty Ltd is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2(b).

Ernst & Young



Maree Pallisco
Partner
Melbourne

Date: 10 October 2014