



7 January 2015

Mr Jason Letchford
Secretary
The Shearing Contractors' Association of Australia
PO Box 1143
MANLY NSW 1655

By email: scaa@scaa.org.au

Dear Mr Letchford

Financial report for the year ended 30 November 2013 - FR2013/406

The financial report for the year ended 30 November 2013 for the Shearing Contractors' Association of Australia (SCAA) was lodged with the Fair Work Commission (the FWC) on 1 April 2014. A corrected copy of the Operating Report and a further Designated Officer's Certificate were lodged on 5 January 2015.

The SCAA financial report has now been filed.

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

Please note that the financial report for the year ending 30 November 2014 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The FWC will confirm these concerns have been addressed prior to filing next year's report.

1. Operating Report

Please ensure the Operating Report complies with [s.254](#) of the RO Act, [regulation 159](#) of the *Fair Work (Registered Organisations) Regulations 2009* and [item 33](#) of the Reporting Guidelines (Fourth edition).

The subsequent copy of the Operating Report (version A) that was lodged on 5 January 2015 was the correct Operating Report with the exception that the report was not dated with the date on which the officer signed the report. Please ensure the Operating Report is also dated in future.

If you have not already provided a copy of this newly lodged Operating Report to the SCAA members please ensure a copy is distributed to the members free of charge. This may be done via the SCAA website or via email to all members.

2. Full reports must be provided to members within 5 months of end of financial year

The full report is defined to consist of the following:

- the General Purpose Financial Report which includes the Committee of Management Statement;
- the Auditor's Report; and
- the Operating Report.

The Designated Officer's Certificate states that the full report was provided to members on 17 May 2014 and presented to a Committee of Management meeting on the same day. Under s.265(5)(b) of the RO Act, *where the full report is presented to a Committee of Management meeting*, the full report must be provided to members within 5 months starting at the end of the financial year. Accordingly, the SCAA full report should have been provided to members by 30 April of each year.

In the event that the SCAA cannot provide the full report to members by 30 April, the reporting unit should apply to the General Manager of the FWC for an extension of time under s.265(5) of the RO Act by a period of no more than one month. The application for an extension of time should be made in writing to include any reason for the delay and signed by a relevant officer. The application must be lodged with the FWC before 30 April, prior to the date for the provision of the financial report to members.

3. Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

In future please ensure there is a note to explain the remuneration payment to the Secretary such as, the contract arrangement since there are no employees of the SCAA, a brief description regarding that contract of services and the honorarium paid to the President. The purpose of the financial report is to provide greater transparency to the members regarding the reporting unit's finances.

4. Further information

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

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements, I may be contacted on (03) 8661 7915 or by email at cynthia.lobooth@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth', with a stylized flourish at the end.

Cynthia Lo-Booth
Senior Adviser
Regulatory Compliance Branch

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
OPERATING REPORT FOR THE YEAR ENDED 30TH NOVEMBER 2013

Principal Activities

The principal activities of the association during the financial year were to look after the interests of Shearing Contractors around Australia. Including;

- Negotiation of pay rates and conditions of the Shearing Industry labour force
- Disseminate statutory and helpful information to members
- Provide discounted merchandise to members
- Provision of industry specific material and resources to streamline operations

Results of Principal Activities

The Association's principal activities resulted in the preservation of the interests of Shearing Contractors allowing them to operate within a financially viable environment; along with the preservation of the interests of the industry in general.

Significant Changes in the Nature of Principal Activities

There were no significant changes in the nature of the Association's principal activities during the financial year.

Significant Changes to the Association's Financial Affairs

There were no significant changes in the nature of the Association's financial affairs during the financial year.

Operating Result

The profit after providing for income tax amounted to \$5,615 (2011: Profit \$51,781)

Right of Members to Resign

In accordance with the resignation rule; Rule 12; a member has the right to resign from the Association.

Trustees of Superannuation Entities

No officer or member of the Association was:

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

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA

OPERATING REPORT FOR THE YEAR ENDED 30TH NOVEMBER 2013 (Continued)

Number of Members

The number of members who were recorded at the end of the financial year was 202.

Number of Employees

The number of persons who were employed by the Association at the end of the financial year was NIL.

Members of the Committee of Management

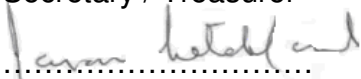
The persons who held office as members of the Committee of Management of the Association at the beginning of the financial year were:

Michael Schofield	President
Warren Kimber	Vice President
David Kemp	Vice President
Frank Sutherland	Trustee
Ivan Letchford	Trustee
Trevor King	Committee of Management Member
Emma Morvell	Committee of Management Member
Noel Canty	Committee of Management Member
Steven Rigby	Committee of Management Member
Michael Jarman	Committee of Management Member
Damian Raudino	Committee of Management Member
Jason Letchford	Secretary / Treasurer

There were no changes to the composition of the Committee of Management during the financial year.

Name: Jason Letchford

Title Secretary / Treasurer

Signature 

**THE SHEARING CONTRACTORS' ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602**

**DESIGNATED OFFICER'S CERTIFICATE
S268 Fair Work (Registered Organisation) Act 2009**

I, Jason Letchford, being the treasurer of the Shearing Contractors Association of Australia certify in relation to the Financial Report for the Year ending 2013:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (registered organisations) Act 2009; and
- that the full report, was provided to members on 17 May 2014; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 17 May 2014 in accordance with Section 266 of the Fair Work (registered organisations) Act 2009.



Jason Letchford
Secretary/Treasurer

Dated: 29 July 2014

From: LO-BOOTH, Cynthia
Sent: Thursday, 3 July 2014 4:41 PM
To: 'scaa@scaa.org.au'
Cc: RICHTER, Olaf
Subject: Financial report for year ended 30 November 2013 - FR2013/406

Dear Mr Letchford

I refer to our telephone conversation earlier today. I confirm that the following is required from the SCAA:

1. Operating Report

The operating report lodged does not fully comply with the legislative requirements. I have attached the Operating Report that the SCAA subsequently lodged for the last financial year. Please lodge a new operating report with a similar format to the one attached and date it with the date that you sign the report. Please provide this new operating report to the SCAA members, for example, if the full report is provided to members by the SCAA website, upload the operating report on the website, and lodge the new operating report with the FWC.

2. Designated Officer's Certificate

The financial report along with the designated officer's certificate were lodged with the FWC on 1 April 2014, however the Certificate had an execution date of 16 May 2014 and was certifying events that were to occur on 16 and 17 May 2014 (see document attached). Therefore, we received a document that was signed with an execution date in the future and was certifying events that were to occur in the future. The purpose of the designated officer's certificate is to advise the FWC that certain events have occurred.

Therefore I request that you add the date that new operating report was provided to members in the second dot point of the Certificate so that the second dot point reads as follows:

- *'that the full report, was provided to members of the reporting unit on 17th May 2014 and the new operating report was provided to members on [insert date new operating report is given to members]'.*

Then, re-sign the designated officer's certificate and provide the actual date that you sign the document and lodge the Certificate with FWC

3. Related Party Disclosures

The Australian Accounting Standards AASB 124 Related Party Disclosures paragraph 17 requires the General Purpose Financial Report to disclose within the statements or notes compensation paid to key management personnel. In future, please ensure there is a note to explain the remuneration payment to the Secretary i.e. contract arrangement since there are no employees of the SCAA, brief description regarding that contract of services, etc. Also mention the honorarium paid to the President. The purpose of the financial report is to provide greater transparency to the members regarding the organisation's finances.

4. Annual Return AR2014/181

This is a separate matter to the financial report and the FWC officer in charge of this is Olaf Richter. The last correspondence we have on record is an email sent by Olaf to yourself on 17 June 2014 requesting a re-lodgement of the annual report to provide membership numbers as at 31 December 2013 and a statement in relation to the elections due for the period of 1 January to 31 December 2014. I understand that you believe you have made such changes to the document. If you locate the email where the changes were sent to our office please forward the copy of that email with the attachment to Olaf. If you cannot locate the email please send the requested document to Olaf.

5. Approved Financial Management Training

Olaf is the person who has information regarding this training. He will be giving you a call shortly on your mobile number 0412 600 586.

If you have any questions regarding this email please do not hesitate to contact me. I work part time from Wednesdays to Fridays.

Yours sincerely

CYNTHIA LO-BOOTH

Senior Adviser
Regulatory Compliance Branch

Fair Work Commission

Tel: 03 8661 7915

Fax: 03 9655 0410

cynthia.lobooth@fwc.gov.au



SCAA Des Off
CertificateSigned.pdf



SCAA Operating
Report 2012 revised.1

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA

A.B.N. 82 193 025 602

**FINANCIAL REPORT
FOR THE YEAR ENDED
30TH NOVEMBER 2013**

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA

A.B.N. 82 193 025 602

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**THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA AND TO
THE GENERAL MANAGER, FAIR WORK COMMISSION FOR THE YEAR ENDED 30 NOVEMBER 2013**

Report on the Financial Report

We have audited the accompanying financial report of The Shearing Contractors Association of Australia which comprises the statement of financial position as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by committee members for the year ended 30 November 2013.

Committees' Responsibility for the Financial Report

The committee of the Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Associates Incorporation Act NSW 2009* and for such internal control as the committee determines necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Auditor's Opinion

In our opinion the financial report of The Shearing Contractors Association of Australia is in accordance with the *Associations Incorporation Act NSW 2009* including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Association Incorporation Act NSW 2009*.

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA AND TO
THE GENERAL MANAGER, FAIR WORK COMMISSION FOR THE YEAR ENDED 30 NOVEMBER 2013

Report on Other Legal and Regulatory Requirements

In addition, our audit report has also been prepared for the members of the Association in accordance with section 257(5) and section 255 of the *Fair Work (Registered Organisations) Act 2009*. Accordingly we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Incorporated Associations Act 2009*. These additional procedures included obtaining an understanding of the internal control structure and associated record keeping and other requirements pursuant to the *Fair Work (Registered Organisations) Act 2009*.

The performance of our statutory audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial report. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

The audit opinion expressed in this report pursuant to the *Fair Work (Registered Organisations) Act 2009* has been formed on the above basis.

Auditor's Opinion

Pursuant to the requirements of section 257(5) and section 255 of the *Fair Work (Registered Organisations) Act 2009* we report that, in our opinion:

- a) the financial report is presented fairly in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), and
- b) the Association maintained satisfactory accounting records in relation to the year ended 30 November 2013 including records of the sources and nature of income (including income from members) and records of the nature and purposes of the expenditure of the Association and
- c) we were provided with all the information and explanations as required from the officers or employees of the Association.

Auditor's Declaration

Pursuant to the requirements of section 255 of the *Fair Work (Registered Organisations) Act 2009*, I declare that:

- a) I am an approved auditor;
- b) I am a member of The Institute of Chartered Accountants in Australia;
- c) I hold a current Public Practice Certificate; and
- d) Management's use of the going concern basis of accounting in the preparation of the Association's financial statements is appropriate.

Page Harrison & Co
Chartered Accountants



JASON ROCHAIX
Partner
Registered Company Auditor
Member of the Institute of Chartered Accountants in Australia

16th May 2014

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

OPERATING REPORT

Your committee members submit the financial report of The Shearing Contractors Association of Australia for the financial year ended 30 November 2013.

COMMITTEE MEMBERS

The names of committee members throughout the year and at the date of this report, unless otherwise stated are

Ivan Letchford
Frank Sutherland
Noel Canty (re-elected 5/8/13)
Trevor King
Emma Morell (elected 16/5/13)
Michael Schofield
Steven Rigby (elected 5/8/13)

Michael Jarman
Andrew Morrison (resigned 5/8/13)
Warren Kimber
David Kemp
Damian Raudino
Jason Letchford

PRINCIPAL ACTIVITIES

The principal activities of the association during the financial year were to look after the interests of the employers of shearers who shear the sheep of Australia.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

OPERATING RESULT

The profit after providing for income tax amounted to \$5,615.79 (2012: profit \$51,781.30).

Signed in accordance with a resolution of the Members of the Committee.


.....
Michael Schofield


.....
Jason Letchford

Dated this 16th day of May 2014

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

COMMITTEE OF MANAGEMENT STATEMENT

On 16th May 2014 the Committee of Management of The Shearing Contractors Association of Australia passed the following resolution to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th November 2013:

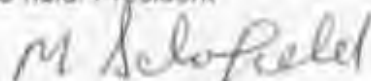
The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of the year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act and the Ro Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) No information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia under section 272 of the RO Act and furnished to the member or General Manager; and
 - (vi) No orders have been made by Fair Work Australia under section 273 of the RO Act during the period.

For Committee of Management:

Title of Office field: President

Signature



Date: 16th May 2014

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

DESIGNATED OFFICER'S CERTIFICATE
s268 Fair Work (Registered Organisations) Act 2009

I Jason Letchford being the treasurer of the Shearing Contractors of Australia certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report, was provided to members of the reporting unit on 17th May 2014; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 16th May 2014 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:

Jason Letchford

Name of prescribed designated officer:

JASON LETCHFORD

Title of prescribed designated officer:

SECRETARY - TREASURER

Dated: 16th May 2014

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH NOVEMBER 2013

	Note	2013 \$	2012 \$
Revenue	3	212,327.27	247,468.04
Other income	4	-	-
Expenses			
Advertising & promotion		(275.00)	(136.36)
Auditor's remuneration		(8,000.00)	(2,000.00)
Bank charges		(836.91)	(869.37)
Consultants and contractor fees		(6,020.46)	(7,200.27)
Freight		-	-
Insurance		(3,395.95)	(3,589.33)
Merchandise purchases		(95,954.83)	(105,157.34)
Presidents honorarium		(4,250.00)	(4,000.00)
Printing, postage & stationery		(14,703.76)	(3,765.79)
Rent		(6,995.00)	(6,735.00)
Secretary's remuneration		(39,500.00)	(38,300.00)
Telephone & facsimile		(5,108.36)	(1,374.55)
Travelling and accommodation expenses		(11,634.58)	(3,232.17)
Work cover project expenses		(10,036.63)	(19,326.56)
Profit / (Loss) before income tax expense		<u>5,615.79</u>	<u>51,781.30</u>
Income tax expense	5	-	-
Profit / (Loss) before income tax expense		<u>5,615.79</u>	<u>51,781.30</u>
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u><u>5,615.79</u></u>	<u><u>51,781.30</u></u>

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached audit report.

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

STATEMENT OF FINANCIAL POSITION
AS AT 30TH NOVEMBER 2013

	Note	2013 \$	2012 \$
Current Assets			
Cash and cash equivalents	8	347,746.32	312,070.95
Trade and other receivables	9	9,925.80	28,149.85
Inventories	10	2,640.86	4,744.71
Other	11	-	-
Total Current Assets		360,312.98	344,965.51
Total Assets		360,312.98	344,965.51
Current Liabilities			
Trade and other payables	12	18,806.26	9,074.58
Total Current Liabilities		18,806.26	9,074.58
Total Liabilities		18,806.26	9,074.58
Net Assets		341,506.72	335,890.93
Equity			
Reserves	6	112,413.00	112,413.00
Retained profits	7	229,093.72	223,477.93
Total equity		341,506.72	335,890.93

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached audit report.

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

STATEMENT OF CHANGES IN EQUITY
AS AT 30TH NOVEMBER 2013

	Reserves \$	Retained Profit \$	Total Equity \$
Balance at 1 December 2011	112,413.00	171,696.63	284,109.63
Total comprehensive income for the year	-	51,781.30	51,781.30
Prior year adjustment	-	-	-
Balance at 30 November 2012	112,413.00	223,477.93	335,890.93
Total comprehensive income for the year	-	5,615.79	5,615.79
Balance at 30 November 2013	112,413.00	229,093.72	341,506.72

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached audit report.

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH NOVEMBER 2013

	Note	2013 \$	2012 \$
Cash flows from operating activities			
Receipts from customers		206,025.28	232,626.67
Payments to suppliers		(194,875.95)	(258,908.17)
		11,149.33	(26,281.50)
Interest received		17,659.39	15,209.27
Other revenue		6,866.65	9,163.85
Net cash (used) / provided by operating activities	13	35,675.37	(1,908.38)
Cash flows from investing activities			
Payments for property, plant and equipment		-	-
Proceeds from sale of property, plant and equipment		-	-
Net cash provided by / (used in) investing activities		-	-
Cash flows from financing activities			
Proceeds from borrowings		-	-
Repayment for borrowings		-	-
Net cash provided by / (used in) financing activities		-	-
Net (decrease) / increase in cash and cash equivalents		35,675.37	(1,908.38)
Cash and cash equivalents at the beginning of the financial year		312,070.95	313,979.33
Cash and cash equivalents at the end of the financial year		347,746.32	312,070.95

The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached audit report.

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2013

1.1 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, The Shearing Contractors Association of Australia is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

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

1.3 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amount due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

1.5 Grants

Grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2013

1.5 Grants (continued)

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

1.6 Gains

Sale of Assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.8 Taxation

The Shearing Contractors Association of Australia is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for 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; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financial activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2013

	2013	2012
	\$	\$
2 Events after the reporting period		
There were no events that occurred after 30 November 2013, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of The Shearing Contractors Association of Australia.		
3 Revenue		
<i>Sales revenue</i>		
Sales of merchandise	111,517.14	123,218.74
	111,517.14	123,218.74
<i>Other revenue</i>		
Interest received	17,659.39	15,209.27
Members subscriptions	76,284.09	79,643.82
Work cover grant	-	-
Projects	-	20,232.36
Sponsorships	1,750.00	8,000.00
Sundry income	5,116.65	1,163.85
	100,810.13	124,249.30
Revenue	212,327.27	247,468.04
4 Other income		
Recoveries	-	-
Other income	-	-
	-	-
5 Income tax expense		
Income tax expense attribute to:		
Operating profit before income tax	-	-
	-	-
6 Reserves		
General reserve	112,413.00	112,413.00
	112,413.00	112,413.00
7 Equity – retained profits		
Retained profits at the beginning of the financial year	223,477.93	171,696.63
Prior year adjustment	-	-
Profit after income tax expense for the year	5,615.79	51,781.30
	229,093.72	223,477.93
Retained profits at the end of the financial year	229,093.72	223,477.93
8 Current assets - cash and cash equivalents		
Cash at bank	83,323.76	62,124.88
Term deposit	264,422.56	249,946.07
Undeposited funds	-	-
	347,746.32	312,070.95
	347,746.32	312,070.95

THE SHEARING CONTRACTORS ASSOCIATION OF AUSTRALIA
A.B.N. 82 193 025 602

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2013

	2013 \$	2012 \$
9 Current assets - trade and other receivables		
Trade debtors	9,925.80	28,149.85
Sundry debtors	-	-
	<u>9,925.80</u>	<u>28,149.85</u>
10 Current assets – inventories		
Stock on hand	<u>2,640.86</u>	<u>4,744.71</u>
11 Current assets - other		
Prepayments	<u>-</u>	<u>-</u>
12 Current liabilities - trade and other payables		
Trade payables	23,423.95	10,022.35
Creditors and accruals	-	-
GST payable	(4,617.69)	(947.77)
	<u>18,806.26</u>	<u>9,074.58</u>
13 Reconciliation of profit after income tax to net cash From operating activities		
Profit / (Loss) after income tax expense for the year	5,615.79	51,781.30
Adjustments for:		
Depreciation and amortisation	-	-
Prior year adjustment	-	-
Changes in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	18,224.05	9,531.75
(Increase)/decrease in inventories	2,103.85	3,792.70
(Increase)/decrease in other operating assets	-	-
Increase/(decrease) in trade and other payables	9,731.68	(67,014.13)
Net cash from operating activities	<u>35,675.37</u>	<u>(1,908.38)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2013

14 Members' access to financial records

Notice to Members and/or General Manager

A Notice is hereby given that prescribed information is available to members on request in accordance with s272 of the Fair Work (Registered Organisations) Act 2009:

1. A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
3. A reporting unit must comply with an application made under subsection (1)

15 Supplementary operating report for the year ended 30 November 2013

In accordance with the requirements of S253 of the Fair Work (Registered Organisations) Act 2009 and the Reporting Guidelines, the Organisation makes the following disclosures for the year ended 30 November 2013 in respect of the Association:

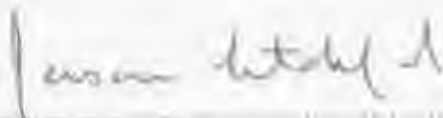
- a. Pursuant to section 254 (2)(d) of the Fair Work Registered Organisations) Act 2009, no member holds office including that of trustee or director, in any superannuation schemes;
- b. Pursuant to section 37 of Reporting Guidelines applying for the purpose of section 253 of the RO Act 2009, no officer and employee are directors of a company or a member of a board;
- c. The organisation has prepared the financial statements on a going concern basis and the Association was not reliant on the financial support of another reporting unit;
- d. The Association did not provide financial support to ensure another reporting unit has the ability to continue as a going concern;
- e. The Association did not acquire an asset or a liability during the financial year as a result of amalgamation, a restructure of the association, a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the Organisation or, a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to the Organisation under subsection 245(1); or as part of a business combination;
- f. No other funds or reserves other than that disclosed in the Statement of Changes in Equity were set up by the Association;
- g. The Association did not receive any capitation fee from another reporting unit of the organisation;
- h. The Association did not receive any compulsory levies or as appeals for voluntary contributions from members;
- i. The Association did not receive any donations or grants;
- j. The Association did not receive any other financial support from another reporting unit of the organisation.
- k. The Association did not pay to another reporting unit of the organisation a capitation fee

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH NOVEMBER 2013

15 Supplementary operating report for the year ended 30 November 2013 (continued)

- l. No compulsory levies have been imposed on the Association;
- m. No information is provided in respect of salary and wages in accordance with Reporting Guideline 17(f) and 17(g) given the Association does not have any employees.
- n. No penalties were imposed on the Association under the RO Act with respect to conduct of the reporting unit;
- o. The Association did not have any amount receivable from or payable to other reporting unit of the organisation;
- p. The Association did not have any amount payable to employers as consideration for the employers making payroll deductions of membership subscriptions;
- q. The Association did not have any amount payable in respect of legal costs and other expenses related to litigation or other legal matters;
- r. The Association did not make any provisions for annual leave, long service leave, separation, redundancy and other provisions in respect of employees (other than holders of offices) of the reporting unit;
- s. No other funds or reserves other than that disclosed in the Statement of Changes in Equity were set up by the Association;
- t. The Association did not engage another entity to administer its financial affairs;
- u. The Association did not receive from or pay to another reporting unit of the organisation a cash flow;
- v. In accordance with Reporting Guideline 33, the Association did not involve in recovery of wages activities in the reporting period.

Signed



Jason Letchford
Secretary
The Shearing Contractors Association of Australia

16th May 2014

CERTIFICATE FROM THE MANAGEMENT OF
The Shearing Contractors Assoc. Australia

26 February 2014

Page Harrison & Co
Chartered Accountants
15-17 Northcliff Street
MILSONS POINT NSW 2061

Dear Sirs,

Financial Statements for the year ended 30 November 2013

We, being responsible for the preparation of the above financial statements, hereby confirm that, to the best of our knowledge and belief, the following statements relating to the financial statements are true and fair bearing in mind the requirements of the Associations Incorporated Act (NSW), and Accounting Standards.

a) **General**

a) We have made available to you all -

- i) financial records and related data.
- ii) minutes of meeting and/or resolutions in writing of members, committee members, to date, or summaries of actions of recent meetings/resolutions that have not yet been prepared.

b) We have disclosed to you all -

- i) plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- ii) significant matters relating to contingent liabilities, including outstanding litigation and claims against the association which have been referred to solicitors.

c) We have disclosed to you all -

- i) violations of laws or regulations that should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
- ii) other material liabilities and gain or loss contingencies as required to be accrued or disclosed.

- d) We have disclosed to you all –
 - i) irregularities involving management or employees.
 - ii) communications from the Department of Fair Trading concerning non compliance with, or deficiencies in, financial reporting.

2. Accounting concept and policies

- a) The accounts have been prepared on the basis of the generally accepted fundamental accounting concepts of 'going concern', 'accruals' and 'consistency'.
- b) No circumstances have arisen which have rendered inappropriate the application of the 'going concern' concept and the continued use of the aforementioned policies.

3. Assets generally

- a) The association has a satisfactory title to all assets included in the balance sheet and no assets, which should have been included, have been omitted. There were no mortgages or other liens outstanding against the assets.
- b) The committee members have considered the balance sheet values of non-current assets and are satisfied that no further provisions are required either due to any impairment in the values of these assets or for any other reason. The assumptions used in estimating the recoverable amounts of these assets for determining whether there has been any impairment are reasonable.
- c) It is not the intention to sell any assets in the immediate future at a value which might give rise to a material unprovided loss.
- d) The assets reflected as owned assets in the financial report are owned by the association and none is pledged or hypothecated as security for any obligation of the association or any other person.
- e) The provision for depreciation of fixed assets is adequate. All property, plant and equipment is maintained in an efficient working condition and is being utilised in current operations.
- f) Sale, dismantlements and abandonment's of equipment have been properly accounted for and no obsolete items are included in the asset accounts at values in excess of scrap value.
- g) All amounts due to the association at 30 November 2013 have been correctly brought to account in the books and accounts, which reflect the total sums owing to the association. All such amounts are valid and owing and subject to a provision for doubtful debts are good and collectible, and not subject to deductions for discounts (other than normal cash discounts), breach of contract price adjustments, or for any other deductions of a similar nature except as provided for in the books and accounts. No concessions of book debts have been made.

4. Current assets

- a) All current assets are expected to realise, in the ordinary course of business, not less than the amounts at which they are included in the balance sheet.

5. Liabilities

- a) All material liabilities at the balance sheet date have been included in the accounts and adequate provision has been made for liabilities which are known to exist but the amount of which cannot be accurately determined.
- b) There were no purchase or sale commitments in excess of normal level or at prices which could give rise to a loss for which no provision has been made in the accounts. In addition no agreements have been entered into to repurchase items previously sold.
- c) At the balance sheet date and at the date of this letter :-

There were no contingent liabilities, including outstanding litigation and claims against the association:

6. Statement of financial performance

The results for the year were not materially affected by:

- a) transactions of a sort not usually undertaken
- b) circumstances of an exceptional or non-recurring nature.

In particular, all revenues earned by the company have been accounted for in the accounts. Likewise, all expenditures have been taken into the accounts and they are in the normal course of business of the association.

8. Events since the balance sheet date

Since the balance sheet date there have been no events which could materially affect the state of affairs of the company as shown by the accounts at that date, the results for the year ended or any of the figures in the accounts or notes thereto.

9. Other matters

- a) There was no approved future capital expenditure.

12. Accounting policies

The accounting policies adopted by all the companies in the group are in all material respects consistent with the group policies.

13. General


- a) All material non-recurring or extraordinary items of income and expenditure are shown separately in the profit and loss account.
- b) We know of no material facts which have neither been reflected in the books of account nor made known, in writing, to you, the auditors.

13. General

- a) All material non-recurring or extraordinary items of income and expenditure are shown separately in the profit and loss account.
- b) We know of no material facts which have neither been reflected in the books of account nor made known, in writing, to you, the auditors.
- c) We understand that you have examined or tested accounting records of the Association and other supporting evidence by methods and to the extent you deemed appropriate for the purpose of expressing an opinion on the financial statements, but that such tests would not necessarily disclose irregularities, should any exist. To the best of our knowledge and belief no shortages, defalcations or irregularities have occurred which have not been made known in writing to you, the auditors.
- d) No events have occurred nor have matters been discovered since the balance sheet date which might render the balance sheet or income statement misleading.
- e) Insurance cover against fire and other risks has been reviewed by us and is, in our opinion, adequate in relation to the value of each insurable asset and to the amounts of the insurable risks involved.
- f) All minutes (including those prepared by attorneys, etc. in support of agreements) have been pasted into the company's minute book.



Michael Schofield



Jason Letchford

**THIS IS AN IMPORTANT DOCUMENT
PLEASE READ CAREFULLY BEFORE SIGNING**



9 December 2013

Mr Jason Letchford
Secretary
The Shearing Contractors' Association of Australia
Sent by email: scaaemail@gmail.com

Dear Mr Letchford,

Re: Lodgement of Financial Report - [FR2013/406]

Fair Work (Registered Organisations) Act 2009 (the RO Act)

The financial year of The Shearing Contractors' Association of Australia (the reporting unit) ended on 30 November 2013.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 June 2014 (being the expiry date of 6 months and 14 days from the end of the financial year) under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Additionally, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2013, are also available on the website together with slides relating to our recently held financial Reporting Guidelines Webinar.

The Fair Work Commission has also developed a model set of financial statements for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Compliance & litigation](#).

The financial report and any statement of loans, grants or donations made during the financial year [statement must be lodged within 90 days of end of financial year] can be emailed to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents no.5](#)

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au.

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.