



Shop, Distributive & Allied Employees' Association

REGISTERED OFFICE: FIFTH FLOOR, 53 QUEEN STREET, MELBOURNE, 3000. TELEPHONE (03) 9629 2299 FAX (03) 9629 2646 EMAIL sdanat@c031.aone.net.au
ABN 99 789 302 470

NATIONAL PRESIDENT
Don Farrell

NATIONAL SECRETARY
Joe de Bruyn

FR 2002/273

jdb/al
21st February, 2003

The Industrial Registrar
Principal Registry
Nauru House
80 Collins Street
Melbourne Vic 3000

Dear Sir,

Please find enclosed a copy of the financial accounts and statements of the Shop, Distributive & Allied Employees' Association, New South Wales Deductions Account for the twelve months ended 30th June 2002 which is forwarded to you for filing under Section 280 of the Workplace Relations Act.

Yours faithfully,

J. de Bruyn

Joe de Bruyn
National Secretary-Treasurer

encl: as above

**THE WORKPLACE RELATIONS
ACT, 1996**

IN THE MATTER OF:

The Shop, Distributive &
Allied Employees'
Association.

AND IN THE MATTER OF:

Information to be filed with
the Industrial Registrar under
Section 280 of the Act.

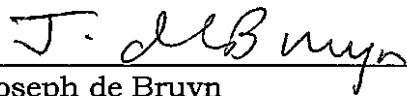
STATUTORY DECLARATION

I, JOSEPH de BRUYN of 5th Floor, 53 Queen Street, **MELBOURNE** in the State of Victoria, **Trade Union Officer**, do solemnly and sincerely declare as follows:

1. I am the National Secretary-Treasurer of the Shop, Distributive & Allied Employees' Association, an organisation of employees registered under the Workplace Relations Act, 1996.
2. I am authorised to make this Statutory Declaration pursuant to the Rules of the said Association.
3. Attached hereto and marked with the letter "A" are the report, accounts and statements of the Shop, Distributive & Allied Employees' Association, New South Wales Deductions Account for the twelve months ended 30th June, 2002.
4. I say that the documents referred to in paragraph 3 hereof were presented to a duly convened meeting of the National Executive of the said Association held at 4th Floor, 25 Barrack Street, Perth in the State of Western Australia from Monday 17th February, 2003 to Thursday 20th February, 2003 pursuant to Section 279(6) of the said Workplace Relations Act.

AND I make this solemn declaration by virtue of the Statutory Declarations Act 1959 and subject to the penalties provided by the Act for the making of false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.

DECLARED at MELBOURNE the]
21st day of February, 2003]



Joseph de Bruyn
National Secretary-Treasurer

Before me: Melissa Macken

A NATURAL PERSON WHO IS A CURRENT
PRACTITIONER WITHIN THE MEANING OF
THE LEGAL PRACTICE ACT 1996.

A. J. MACKEN & CO.

11TH FLOOR

53 QUEEN STREET
MELBOURNE VIC 3000

" A "

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

RESOLUTION REGARDING TRANSFER OF FUNDS SURPLUS

TO THE REQUIREMENT OF THE DEDUCTIONS ACCOUNT OFFICE

Resolved:

The National Council ratifies the transfer of an amount of \$2,854,218 from the Shop, Distributive and Allied Employees' Association N.S.W. Deductions Account, to the account of the New South Wales Branch of the Association, such funds being surplus to the requirement of the Deductions Account Office for the year ended 30th June 2002.

Dated at Hobart this *28th* day of *October*, 2002.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

RESOLUTION REGARDING RECEIVING OF ACCOUNTS AND STATEMENT

BY THE COMMITTEE OF MANAGEMENT

Resolved:

1. That the accounts of the Shop, Distributive and Allied Employees' Association N.S.W. Deductions Account Office for the year ended 30th June 2002 be received.
2. That it is the opinion of this Committee of Management that:
 - a) The accounts show a true and fair view of the financial affairs of the Association as at 30th June 2002;
 - b) During the financial year ended 30th June 2002 meetings of the Committee of Management were held in accordance with the rules of the Association;
 - c) To the knowledge of any member of the Committee, there have not been during the year ended 30th June 2002, instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under subsection 274(2) of the Act), or copies of those records or other documents, or copies of the rules of the organisation, have not been furnished, or made available to members of the organisation in accordance with the Act, these regulations or the rules of the organisation, as the case may be;
 - d) In relation to the report prepared in accordance with section 276 of the Act by the auditor of the organisation in respect of the 30th June 2001 financial year, and in relation to any accounts and statements prepared in accordance with subsection 273(1) of the Act to which that report relates, the organisation has complied with subsection 279(1) and 279(6) of the Act.
3. That two members of the Committee be authorised to sign the certificate on behalf of the Committee of Management.

Dated at Hobart this 28th day of October, 2002.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

STATEMENT OF THE COMMITTEE OF MANAGEMENT


In accordance with a resolution of the Committee of Management of Shop, Distributive and Allied Employees' Association N.S.W. Deductions Account Office, we state that in the opinion of the Committee:

- a) The accounts show a true and fair view of the financial affairs of the Association as at 30th June 2002;
- b) During the financial year ended 30th June 2002, meetings of the Committee of Management were held in accordance with the rules of the Association;
- c) To the knowledge of any member of the Committee, there have not been during the year ended 30th June 2002, instances where records of the Association or other documents (not being documents containing information made available to a member of the Association under subsection 274(2) of the Act), or copies of those records or other documents, or copies of the rules of the Association, have not been furnished, or made available to members of the Association in accordance with the Act, these regulations or the rules of the Association, as the case may be;
- d) In relation to the report prepared in accordance with section 276 of the Act by the auditor of the Association in respect of the financial year ended 30th June 2001, and in relation to any accounts and statements prepared in accordance with subsection 273(1) of the Act to which that report relates, the Association has complied with subsection 279(1) and 279(6) of the Act.

Signed on behalf of the Committee of Management:



Greg Donnelly



Joe de Bruyn

Dated at Hobart this 28th day of October, 2002.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

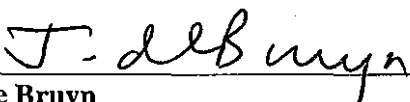
N.S.W. DEDUCTIONS ACCOUNT OFFICE

STATEMENT OF THE PRINCIPAL ACCOUNTING OFFICER

I, Joe de Bruyn, being the officer responsible for keeping the accounting records of the Association, certify that as at 30th June 2002, the number of members in the New South Wales Branch was 61,270. (2001 – 60,131).

In my opinion:

- i) The accompanying accounts show a true and fair view of the financial affairs of the Association as at 30th June 2002.
- ii) A record has been kept of all monies paid by or collected from members of the Association and all monies so paid or collected have been credited to the bank account to which those monies are to be credited in accordance with the rules of the Association.
- iii) Before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the rules of the Association.
- iv) No payments were made out of funds or accounts operated by the Association in respect of compulsory levies raised by the Association or voluntary contributions collected from members of the Association or other funds, the operation of which is required by the rules of the Association for a purpose other than the purpose for which the fund was operated.
- v) No loans or other financial benefits other than remuneration in respect of their full-time employment with the Association were made to persons holding office in the Association.
- vi) The register of members of the Association was maintained in accordance with the Workplace Relations Act 1996.



Joe de Bruyn

Dated at Hobart this 28th day of October, 2002.

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W DEDUCTIONS ACCOUNT OFFICE

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30TH JUNE 2002

	Note	2002 \$	2001 \$
Income			
Members contributions		10,335,588	10,283,423
Less: Commissions paid/payable		(992,096)	(957,015)
Net members' contributions		<u>9,343,492</u>	<u>9,326,408</u>
Interest received		419,035	487,104
Rent received		878,964	756,189
Profit on sale of fixed assets		20,838	22,206
	2	<u>10,662,329</u>	<u>10,591,907</u>
Less: Expenditure			
Administration expenses		2,480,847	2,469,264
Audit fees		35,000	35,000
Depreciation		344,674	500,982
Legal fees and litigation costs		69,358	78,554
Provision for annual leave		349,599	241,890
Provision for long service leave		116,894	97,995
Salaries - Elected officers		145,184	128,545
- Employees		3,287,647	2,856,347
- Superannuation		306,303	299,872
	3	<u>7,135,506</u>	<u>6,708,449</u>
Excess of income over expenditure		<u>3,526,823</u>	<u>3,883,458</u>
Transfer to SDA New South Wales Branch	3	<u>2,854,218</u>	<u>3,104,831</u>
Profit from ordinary activities		<u>672,605</u>	<u>778,627</u>
Net increase in asset revaluation reserve	11	<u>599,237</u>	<u>933,974</u>
Net Surplus		<u>1,271,842</u>	<u>1,712,601</u>

The accompanying notes form part of this financial report.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE 2002

	Note	2002 \$	2001 \$
CURRENT ASSETS			
Cash assets	4	10,008,219	9,330,961
Receivables	5	882,130	658,014
Other	6	<u>75,350</u>	<u>61,993</u>
TOTAL CURRENT ASSETS		<u>10,965,699</u>	<u>10,050,968</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	<u>11,018,771</u>	<u>10,510,711</u>
TOTAL NON-CURRENT ASSETS		<u>11,018,771</u>	<u>10,510,711</u>
TOTAL ASSETS		<u>21,984,470</u>	<u>20,561,679</u>
CURRENT LIABILITIES			
Payables	8	588,115	585,829
Rent Received in Advance	9	74,767	-
Provisions	10	<u>350,505</u>	<u>299,685</u>
TOTAL CURRENT LIABILITIES		<u>1,005,387</u>	<u>885,514</u>
NON-CURRENT LIABILITIES			
Provisions	10	<u>572,656</u>	<u>541,580</u>
TOTAL NON-CURRENT LIABILITES		<u>572,656</u>	<u>541,580</u>
TOTAL LIABILITES		<u>1,578,043</u>	<u>1,427,094</u>
NET ASSETS		<u>20,406,427</u>	<u>19,134,585</u>
EQUITY			
Asset Revaluation Reserve	11	599,237	-
Retained Profits	12	<u>19,807,190</u>	<u>19,134,585</u>
TOTAL EQUITY		<u>20,406,427</u>	<u>19,134,585</u>

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SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30TH JUNE 2002

	Note	2002	2001
		\$	\$
Cash Flows from Operating Activities			
Receipts from members		9,194,142	9,496,118
Payments to suppliers and employees		(9,184,782)	(8,753,840)
GST Paid		(397,438)	(388,714)
Interest Received		419,035	487,104
Rent Received		<u>878,964</u>	<u>758,307</u>
Net cash provided by operating activities	17	<u>909,921</u>	<u>1,598,975</u>
Cash Flows from Investing Activities			
Proceeds from sale of fixed assets		107,164	51,697
Payments for fixed assets		<u>(339,827)</u>	<u>(474,690)</u>
Net cash used in investing activities		<u>(232,663)</u>	<u>(422,993)</u>
Net increase in cash		667,258	1,175,982
Cash at the beginning of the year		<u>9,330,961</u>	<u>8,154,979</u>
Cash at end of the financial year	17	<u>10,008,219</u>	<u>9,330,961</u>

The accompanying notes form part of this financial report.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 2002

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report covers the Shop, Distributive and Allied Employees' Association N.S.W. Deductions Account Office as an individual entity. The Shop, Distributive and Allied Employees' Association is a trade union registered pursuant to the Workplace Relations Act 1996.

The financial report has been prepared on a accrual basis and is based on historical costs and does not take into account changing money values, or except where stated, current valuations of non-current assets. Cost is based on fair values of the consideration given in the exchange for assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

No provision for income tax is necessary as Trade Unions are exempt from income tax under the Income Tax Assessment Act 1936, as amended.

(b) Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

Property, plant & equipment

Plant and equipment are measured on the cost basis.

The varying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The property is independently valued every three years and included in the financial statements at the revalued amount

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis over the effective life of the assets to the Association commencing from the time the asset is held ready for use.

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

<i>Class of Fixed Asset</i>	<i>Rate</i>
Motor Vehicles	15.00%
Office Equipment & Fittings	20.00%
Computer Equipment	20.00%
Property	2.50%

(c) Employee Entitlements

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

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

(d) Cash

For the purposes of the Statements of Cash Flows, cash includes cash on hand, at banks and on deposit.

(e) Revenue

Members' contributions are accounted for on the accruals basis to the extent that contributions received or receivable subsequent to 30th June 2002, but which relate to the period then ended, have been brought to account as income, where as members' contributions received prior to 30th June 2002 but which relate to the period subsequent to that date, have been carried forward.

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

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) 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 entities within the economic entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expenses 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.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduced the liability.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

2. REVENUE

	2002 \$	2001 \$
Operating Revenue		
- Members Contributions	10,335,588	10,283,423
Less: Commissions paid/payable	<u>(992,096)</u>	<u>(957,015)</u>
	9,343,492	9,326,408
Non-operating activities		
- Interest Received	419,035	487,104
- Rent Received	878,964	756,189
- Profit on disposal of plant & equipment	20,838	22,206
	<u>1,318,837</u>	<u>1,265,499</u>
	<u>10,662,329</u>	<u>10,591,907</u>

3. PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities has been determined after:

(a) Expenses

Depreciation of property, plant and equipment	344,674	500,982
Remuneration of auditor		
- audit services	35,000	35,000
- other services	-	-
Total remuneration	<u>35,000</u>	<u>35,000</u>
	379,674	535,982

(b) Significant revenues and expenses:

The following revenue and expense items are relevant in explaining the financial performance:

Transfer surplus to New South Wales Branch	2,854,218	3,104,831
Administration expenses	2,480,847	2,469,264
Salaries & Wages Expenses	3,739,134	3,284,764
Employee Provision Expenses	466,493	339,885
Legal fees and litigation costs	<u>69,358</u>	<u>78,554</u>

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

4. CASH ASSETS

	2002	2001
	\$	\$
Cash on hand	1,025	1,025
Cash at bank	7,978,125	2,097,221
Bank bills at face value	2,031,719	7,265,531
Less: Unearned interest income	(2,650)	(32,816)
	<u>2,029,069</u>	<u>7,232,715</u>
	<u>10,008,219</u>	<u>9,330,961</u>

5. RECEIVABLES

Trade Debtors	863,480	655,894
Sundry Debtors	<u>18,650</u>	<u>2,120</u>
	<u>882,130</u>	<u>658,014</u>

6. OTHER

Prepayments	<u>75,350</u>	<u>61,993</u>
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SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

7. PROPERTY, PLANT AND EQUIPMENT	2002 \$	2001 \$
Motor vehicles at cost	1,139,584	1,105,987
Less: Accumulated depreciation	<u>461,817</u>	<u>448,428</u>
	<u>677,767</u>	<u>657,559</u>
Office equipment & fittings at cost	770,466	750,882
Less: Accumulated depreciation	<u>658,174</u>	<u>598,939</u>
	<u>112,292</u>	<u>151,943</u>
Computer Equipment at cost	51,642	36,210
Less Accumulated Depreciation	<u>20,130</u>	<u>5,765</u>
	<u>31,512</u>	<u>30,445</u>
Level 4, 8 Quay St., Haymarket Land & Building at independent valuation - 2001	2,920,000	2,920,000
Less: Accumulated depreciation	<u>72,800</u>	<u>-</u>
	<u>2,847,200</u>	<u>2,920,000</u>
192 - 196 Day Street, Sydney Land & Building at independent valuation - 2002	7,350,000	7,015,028
Less Accumulated Depreciation	<u>-</u>	<u>264,264</u>
	<u>7,350,000</u>	<u>6,750,764</u>
Total property, plant and equipment	<u>11,018,771</u>	<u>10,510,711</u>

(a) Movements in carrying amounts

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

	Motor Vehicles \$	Office Equipment & Fittings \$	Computer Equipment \$	Land & Building at Valuation \$	Land & Building at Cost \$
Balance at the beginning of the year	657,559	151,943	30,445	2,920,000	6,750,764
Additions	307,019	19,585	18,076	-	-
Disposals	(273,421)	-	(2,644)	-	-
Independent Revaluation	-	-	-	-	599,236
Depreciation expense	(197,032)	(59,236)	(15,606)	(72,800)	-
Depreciation Write-back	183,642	-	1,241	-	-
Carrying amount at the end of the year	<u>677,767</u>	<u>112,292</u>	<u>31,512</u>	<u>2,847,200</u>	<u>7,350,000</u>

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

7. PROPERTY, PLANT AND EQUIPMENT *Continued*

An independent valuation on the Day Street property was conducted during the financial year ended 30th June 2002 by Mr. H. Richardson AAPI. The independent valuation is on the basis of the open market value of the strata property concerned in their existing use. The Committee of Management are of the opinion that this basis provides a reasonable estimate of recoverable amount. This valuation is in accordance with the Association's policy of obtaining an independent valuation of the strata property and ancillaries every three years.

An independent valuation on the Haymarket property and car spaces was conducted during the financial year ended 30th June 2001 by Mr. B.M. Galletti APPL. The independent valuation is on the basis of the open market value of the strata property concerned in their existing use. The Committee of Management are of the opinion that this basis provides a reasonable estimate of recoverable amount. This valuation is in accordance with the Association's policy of obtaining an independent valuation of the strata property and ancillaries every three years.

	Note	2002 \$	2001 \$
8. PAYABLES			
Trade creditors and accruals		404,485	534,272
GST payable		<u>175,630</u>	<u>51,557</u>
		<u>580,115</u>	<u>585,829</u>
9. RENT RECEIVED IN ADVANCE			
Rent received in advance		<u>74,767</u>	<u>-</u>
10. PROVISIONS			
Current			
Employee entitlements		<u>350,505</u>	<u>299,685</u>
Non-current			
Employee entitlements		<u>572,656</u>	<u>541,580</u>
Aggregate employee entitlement liability		<u>923,161</u>	<u>841,265</u>

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

11. ASSET REVALUATION RESERVE

Asset Revaluation Reserve – Day Street Property	<u>599,237</u>	<u>-</u>
Movements during the year:		
Opening Balance	-	-
Revaluation increment arising on revaluing freehold land and building to fair value	<u>599,237</u>	<u>-</u>
Closing balance	<u>599,237</u>	<u>-</u>

The asset revaluation reserve records
revaluations of non-current assets

12. RETAINED PROFITS

Retained profits at the beginning of the financial year	19,134,585	17,421,984
Net profit attributable to the Association	<u>672,605</u>	<u>1,712,601</u>
Retained profits at the end of the financial year	<u>19,807,190</u>	<u>19,134,585</u>

13. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
- not later than 1 year	3,112	-
- later than 1 year but not later than 5 years	9,959	-
- later than 5 years	-	-
	<u>13,071</u>	<u>-</u>

The property lease is a non-cancellable lease with
a five-year term, with rent payable monthly in
advance.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

14. SEGMENT REPORTING

The Association is a trade union operating in the state of New South Wales and obtains its income predominantly from contributions by its members.

15. NATIONAL OFFICERS

The name of each person holding the position of national officer of the Association during the financial year are Messrs J de Bruyn (National Secretary), I Blandthorn (Assistant National Secretary), D Farrell (President) and G Williams (National Vice President).

16. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 274 which states as follows:

- 1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- 2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner and within such time, as is prescribed.
- 3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

	Note	2002 \$	2001 \$
17. CASH FLOW INFORMATION			
(a) Reconciliation of cash			
Cash		197,558	328,241
Short term deposits		7,781,592	1,770,005
Bank Endorsed Bills		<u>2,029,069</u>	<u>7,232,715</u>
		<u>10,008,219</u>	<u>9,330,961</u>
(b) Reconciliation of net cash provided by operating activities to profit from ordinary activities			
Profit from ordinary activities		672,605	1,712,601
Non-cash flows in profit from ordinary activities:			
Profit on independent revaluation		-	(933,974)
Profit on sale of fixed assets		(20,838)	(22,206)
Depreciation		<u>344,674</u>	<u>500,982</u>
Net cash (used in) provided by operating activities before changes in assets and liabilities		996,441	1,257,403
Changes in assets and liabilities:			
Increase/(decrease) in provisions		81,898	2,412
(Increase)/decrease in receivables		(224,116)	178,378
(Increase)/decrease in other assets		(13,357)	(8,192)
Increase/(decrease) in GST payable		124,074	51,557
Increase/(decrease) in payables		(129,786)	117,417
Increase/(decrease) in other liabilities		<u>74,767</u>	<u>-</u>
Net cash (used in) provided by operating activities		<u>909,921</u>	<u>1,598,975</u>

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

N.S.W. DEDUCTIONS ACCOUNT OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

18. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Association'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 follows:

Financial Assets	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2002 %	2001 %	2002 \$	2001 \$
Cash at bank and on Deposit	4.60	4.85	7,978,125	2,097,221
Bank Endorsed Bills	4.78	4.85	<u>2,029,069</u>	<u>7,232,715</u>
Total Financial Assets			<u>10,007,194</u>	<u>9,329,936</u>

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to and forming part of the financial statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

(c) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the Association intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial statements.

19. ASSOCIATION DETAILS

The principal place of business of the Association is:
Shop, Distributive and Allied Employees' Association
Deductions Account Office
Level 4
8 Quay Street
SYDNEY NSW 2000

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION**

N.S.W. DEDUCTIONS ACCOUNT OFFICE

Scope

We have audited the financial statements of Shop, Distributive and Allied Employees' Association N.S.W. Deductions Account Office for the financial year ended 30th June 2002, consisting of the Income and Expenditure Statement, Balance Sheet, Statement of Cash Flows, accompanying notes, and the Statement by the Committee of Management as set out on pages 3 to 18. The Committee of Management are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Association.

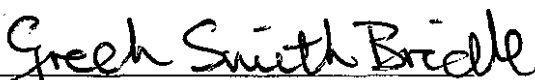
Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the Association's financial position and the results of its operations.

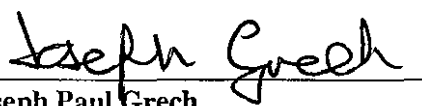
The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of Shop, Distributive and Allied Employees' Association N.S.W. Deductions Account Office as at 30th June 2002, the results of its operations and its cash flows for the year then ended. In accordance with the Workplace Relations Act 1996:

- 1) Satisfactory accounting records were kept by the Association in respect of the year, detailing the sources and nature of the income of the Association (including income from members) and the nature and purposes of expenditure;
- 2) The attached accounts and statements as set out on pages 3 to 16 prepared under the historical cost convention, and in accordance with section 273 of the Workplace Relations Act 1996, are properly drawn up so as to give a true and fair view of:
 - a) the financial affairs of the Association as at 30th June 2002;
 - b) the income and expenditure and surplus of the Association for the year ended on that date.
- 3) All the information and explanations that under subsection 276(2) of the Workplace Relations Act 1996, that officers or employees of the organisation were required to provide, were provided.


Grech Smith Bridle
Chartered Accountants


Joseph Paul Grech
Partner
A Registered Company Auditor

Dated at Sydney this 21st day of October 2002.

Shop, Distributive & Allied Employees' Association



REGISTERED OFFICE: FIFTH FLOOR, 53 QUEEN STREET, MELBOURNE, 3000. TELEPHONE (03) 9629 2299 FAX (03) 9629 2646 EMAIL sdanat@c031.aone.net.au
ABN 99 789 302 470

NATIONAL PRESIDENT
Don Farrell

NATIONAL SECRETARY
Joe de Bruyn

FR 2002 / 273

jdb/al
21st February, 2003

The Industrial Registrar
Principal Registry
Nauru House
80 Collins Street
Melbourne Vic 3000

Dear Sir,

Please find enclosed a copy of the financial accounts and statements of the Shop, Distributive & Allied Employees' Association for the twelve months ended 30th June 2002 which is forwarded to you for filing under Section 280 of the Workplace Relations Act.

Yours faithfully,


Joe de Bruyn
National Secretary-Treasurer

encl: as above

**THE WORKPLACE RELATIONS
ACT, 1996**

IN THE MATTER OF:

The Shop, Distributive &
Allied Employees'
Association.

AND IN THE MATTER OF:

Information to be filed with
the Industrial Registrar under
Section 280 of the Act.


STATUTORY DECLARATION

I, **JOSEPH de BRUYN** of 5th Floor, 53 Queen Street, **MELBOURNE** in the State of Victoria, **Trade Union Officer**, do solemnly and sincerely declare as follows:

1. I am the National Secretary-Treasurer of the Shop, Distributive & Allied Employees' Association, an organisation of employees registered under the Workplace Relations Act, 1996.
2. I am authorised to make this Statutory Declaration pursuant to the Rules of the said Association.
3. Attached hereto and marked with the letter "B" are the report, accounts and statements of the Shop, Distributive & Allied Employees' Association for the twelve months ended 30th June, 2002.
4. I say that the documents referred to in paragraph 3 hereof were presented to a duly convened meeting of the National Executive of the said Association held at the 4th Floor, 25 Barrack Street, Perth in the State of Western Australia from Monday 17th February, 2003 to Thursday 20th February, 2003 pursuant to Section 279(6) of the said Workplace Relations Act.

AND I make this solemn declaration by virtue of the Statutory Declarations Act 1959 and subject to the penalties provided by the Act for the making of false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.

DECLARED at MELBOURNE the)
21st day of February 2003)


Joseph de Bruyn
National Secretary-Treasurer

Before me: Melissa Macke

A NATURAL PERSON WHO IS A CURRENT
PRACTITIONER WITHIN THE MEANING OF
THE LEGAL PRACTICE ACT 1996.
A. J. MACKEN & CO.
11TH FLOOR
53 QUEEN STREET
MELBOURNE VIC 3000

" B "

**SHOP DISTRIBUTIVE AND
ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL
AND ITS CONTROLLED ENTITY**

**ANNUAL FINANCIAL REPORT
30 JUNE 2002**

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY

CONTENTS

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Certificate by National Secretary	4
Statements of Financial Position	5
Statements of Financial Performance	6
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Notes to the Financial Statements	9

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL.**

Scope

We have audited the financial report of the Shop Distributive and Allied Employees' Association National Council ("the Association") for the financial year ended 30 June 2002, being a general purpose financial report, consisting of the Certificate by National Council, Certificate by National Secretary, statements of financial position, statements of financial performance, statements of cash flows and accompanying notes set out on pages 3 to 26. The financial report comprises the accounts of the Association including the National Council, the Mannequins and Models Guild of Australia and the International Fund, and the consolidated accounts of the consolidated entity being the Association and its controlled entity, WT Travel Pty Ltd. The National Officers of the Association are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Association.

The financial report has been prepared for distribution to the members of the Association for the purpose of fulfilling the requirements of subsections 279(1) and 279(6) of the Workplace Relations Act 1996 ("the Act") in relation to the financial report and the independent auditors' report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements in Australia, so as to present a view which is consistent with our understanding of the Association's and the consolidated entity's financial position and performance, as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE
SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL**

Audit Opinion

In our opinion :-

- (i) all information and explanations that, under subsection 276(2) of the Act, officers or employees of the Association were required to provide were provided;
- (ii) there were kept by the Association, in respect of the year, satisfactory accounting records detailing the nature and sources of the income of the Association (including income from members) and the nature and purposes of expenditure in accordance with subsection 276(4) of the Act; and
- (iii) the financial report of the Shop Distributive and Allied Employees' Association National Council is properly drawn up in accordance with section 273 of the Act, applicable Australian Accounting Standards and other mandatory professional reporting requirements so as to give a true and fair view of:
 - (a) the financial position of the Association and the consolidated entity as at 30 June 2002; and
 - (b) the profit and loss, and any surplus or deficit, of the Association and the consolidated entity for the financial year ended 30 June 2002.

Dated at Melbourne this 6th day of November 2002.

KPMG

KPMG



G C Matthews
Partner

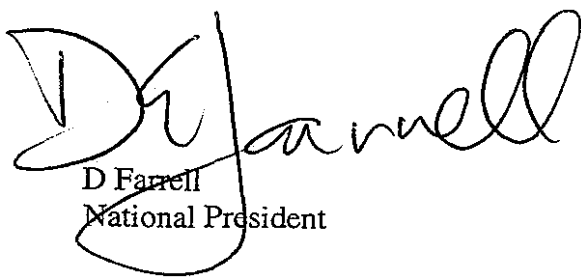
**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

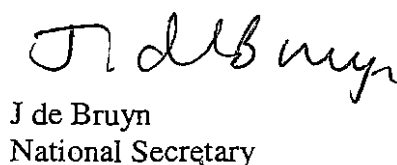
CERTIFICATE BY NATIONAL COUNCIL

We, Donald Farrell and Joseph de Bruyn, being two members of the National Council of the Association, do state on behalf of the National Council and in accordance with a resolution passed by the National Council that:-

- (i) in the opinion of the National Council, the accompanying financial report set out on pages 5 to 26 is drawn up so as to give a true and fair view of the results and cash flows for the financial year ended 30 June 2002, and the state of affairs at 30 June 2002 of the Association and the consolidated entity;
- (ii) in the opinion of the National Council, meetings of the executive were held during the year ended 30 June 2002 in accordance with the rules of the Association;
- (iii) to the knowledge of any member of the National Council, there have been no instances where records of the Association or other documents (not being documents containing information made available to a member of the Association under subsection 274(2) of the Workplace Relations Act 1996) or copies of those records or other documents, or copies of the rules of the Association, have not been furnished or made available to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto or the rules of the Association; and
- (iv) the Association has complied with subsections 279(1) and 279(6) of the Workplace Relations Act 1996 in relation to the financial report in respect of the year ended 30 June 2001 and the independent auditors' report thereon.

Dated at Hobart this ^{28th} day of October 2002.


D Farrell
National President


J de Bruyn
National Secretary

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

CERTIFICATE BY NATIONAL SECRETARY

I, Joseph de Bruyn, being the officer responsible for keeping the accounting records of the Association certify that as at 30 June 2002 the number of members of the Association was 203,137.

In my opinion:-

- (i) the accompanying financial report set out on pages 5 to 26 shows a true and fair view of the financial position of the Association and the consolidated accounts of the consolidated entity, being the Association and its controlled entity as at 30 June 2002;
- (ii) a record has been kept of all monies paid by or collected from members of the Association and all monies so paid or collected have been credited to the bank account to which those monies are to be credited in accordance with the rules of the Association;
- (iii) before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the rules of the Association;
- (iv) no payments were made out of funds or accounts operated by the Association in respect of compulsory levies raised by the Association or voluntary contributions collected from members of the Association or other funds, the operation of which is required by the rules of the Association for a purpose other than the purpose for which the funds or accounts were operated;
- (v) no loans or other financial benefits other than remuneration in respect of their full time employment with the Association were made to persons holding office in the Association; and
- (vi) the Register of Members of the Association was maintained in accordance with the Workplace Relations Act 1996.

Dated at Hobart this ^{28th} day of October 2002.



J de Bruyn
National Secretary

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2002

	Note	Consolidated		Association	
		2002	2001	2002	2001
		\$	\$	\$	\$
Accumulated funds		<u>15,086,502</u>	<u>14,257,986</u>	<u>15,086,502</u>	<u>14,257,986</u>
Represented by:-					
Current assets	4	15,156,506	14,431,179	15,107,649	14,163,683
Non-current assets	5	<u>518,466</u>	<u>607,209</u>	<u>518,466</u>	<u>595,626</u>
Total Assets		<u>15,674,972</u>	<u>15,038,388</u>	<u>15,626,115</u>	<u>14,759,309</u>
Current liabilities	6	580,184	698,945	531,327	419,866
Non-current liabilities	7	<u>8,286</u>	<u>81,457</u>	<u>8,286</u>	<u>81,457</u>
Total Liabilities		<u>588,470</u>	<u>780,402</u>	<u>539,613</u>	<u>501,323</u>
Net Assets		<u>15,086,502</u>	<u>14,257,986</u>	<u>15,086,502</u>	<u>14,257,986</u>

The statements of financial position are to be read in conjunction with the notes to the financial statements set out on pages 9 to 26.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**STATEMENTS OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
Income				
ACT building rent	52,690	21,682	52,690	21,682
Care director's fees	24,298	14,670	24,298	14,670
Gown of the Year entry fees	20,973	12,494	20,973	12,494
Gown of the Year showing	149,169	119,967	149,169	119,967
Gown of the Year ticket sales	48,020	44,352	48,020	44,352
Interest received	591,978	702,094	588,045	692,205
Membership subscriptions	3,714,908	3,663,141	3,714,908	3,663,141
Video sales	18	-	18	-
Special levies	-	50,000	-	50,000
Sponsorship	5,400	-	5,400	-
Sundry	-	1,109	-	-
Travel agency revenue	4,823,510	6,307,486	-	-
	<u>9,430,964</u>	<u>10,936,995</u>	<u>4,603,521</u>	<u>4,618,511</u>
Expenditure				
ACT building expenses	20,730	15,522	20,730	15,522
Advertising and promotion	12,142	22,693	-	16,000
Affiliation fees	808,841	781,987	808,841	781,987
Amortisation of goodwill	26,566	11,807	-	-
Auditors' remuneration	64,940	86,200	64,940	86,200
Accounting and secretarial fees	137,330	91,900	137,330	91,900
Bank charges and interest	43,476	58,326	9,759	18,146
Consulting, legal and professional fees	200,955	60,614	200,955	60,614
Computer reservation system	44,105	36,361	-	-
Delegates expenses	401,650	414,497	401,650	414,497
Depreciation	65,954	70,834	62,353	67,382
Diminution in value of investment	-	-	26,566	11,807
Donations	311,673	238,368	311,673	238,368
Doubtful debts	(200)	-	141,626	21,340
FEDSDA outgoings	14,670	15,074	14,670	15,074
Fringe benefits tax	12,073	4,674	9,934	4,674
Holiday pay	(43,439)	36,284	(4,385)	24,778
Incentive payment	-	8,691	-	-
Insurance	5,481	3,999	145	1,641
Long service leave	24,945	51,103	28,199	45,850

The statements of financial performance are to be read in conjunction with the notes to the financial statements set out on pages 9 to 26.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**STATEMENTS OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
Expenditure (Continued)				
Loss on disposal of assets	2,727	-	-	-
Meeting expenses	111,167	113,660	111,167	113,660
Miscellaneous expense	55,966	57,190	55,966	57,190
Other administration expenses	94,913	84,979	57,708	38,328
Payroll tax	65,364	61,069	65,364	61,069
Printing, postage and stationery	84,573	53,031	71,843	39,805
Prizes	9,229	8,536	9,229	8,536
Rates and taxes	662	4,190	-	-
Rent	156,868	149,886	109,200	109,200
Remuneration to employees	1,033,608	1,069,594	765,991	791,197
Subscriptions	32,933	36,464	29,770	35,277
Superannuation benefits	122,852	134,004	105,101	112,647
Telephone	50,299	43,186	28,673	21,355
Travel agency purchases	4,572,772	5,895,482	-	-
Traveland franchise	10,084	12,432	-	-
Travelling expenses	30,976	35,347	114,444	147,376
Workcare	15,563	21,937	15,563	20,017
	<u>8,602,448</u>	<u>9,789,921</u>	<u>3,775,005</u>	<u>3,471,437</u>
Operating profit	828,516	1,147,074	828,516	1,147,074
Accumulated funds opening balance	14,257,986	13,110,912	14,257,986	13,110,912
Accumulated funds closing balance	<u>15,086,502</u>	<u>14,257,986</u>	<u>15,086,502</u>	<u>14,257,986</u>

The statements of financial performance are to be read in conjunction with the notes to the financial statements set out on pages 9 to 26.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2002**

	Note	Consolidated		Association	
		2002	2001	2002	2001
		\$	\$	\$	\$
Cash flows from operating activities					
Cash receipts in the course of operations		8,792,890	10,214,203	4,006,582	3,950,360
Cash payments in the course of operations		(8,661,913)	(9,551,382)	(3,487,109)	(3,312,752)
Interest received		624,566	654,039	529,036	643,639
Net cash provided by operating activities	12	<u>755,543</u>	<u>1,316,860</u>	<u>1,048,509</u>	<u>1,281,247</u>
Cash flows from investing activities					
Payments for property, plant and equipment		(11,759)	(11,907)	(11,759)	(8,500)
Proceeds from property, plant and equipment		5,255	-	-	-
Proceeds from investments		3,186,298	3,769,974	3,186,298	3,769,974
Payments for investments		(5,437,775)	(3,508,101)	(5,437,775)	(3,508,101)
Net cash provided by/(used in) investing activities		<u>(2,257,981)</u>	<u>249,966</u>	<u>(2,263,236)</u>	<u>253,373</u>
Cash flows from financing activities					
Payment to Victoria branch		-	(100,000)	-	(100,000)
Payment to controlled entity		-	-	(110,815)	-
Repayment of loan from controlled entity		-	-	25,000	-
Net cash used in financing activities		<u>-</u>	<u>(100,000)</u>	<u>(85,815)</u>	<u>(100,000)</u>
Net increase/(decrease) in cash held		(1,502,438)	1,466,826	(1,300,542)	1,434,620
Cash at the beginning of the financial year		<u>2,711,884</u>	<u>1,245,058</u>	<u>2,440,251</u>	<u>1,005,631</u>
Cash at the end of the financial year	12	<u>1,209,446</u>	<u>2,711,884</u>	<u>1,139,709</u>	<u>2,440,251</u>

The statements of cash flows are to be read in conjunction with the notes to the financial statements set out on pages 9 to 26.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

Basis of preparation

The financial report is a general purpose financial report which has been drawn up in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

These accounting policies have been consistently applied by each entity in the consolidated entity and, except where there is a change in accounting policy, are consistent with those of the previous year.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

Principles of consolidation

The consolidated financial statements of the economic entity include the financial statements of the Association, including the National Council, the Mannequins and Models Guild of Australia and the International Fund, being the parent entity (the "Association"), and its controlled entity, WT Travel Pty Ltd (the "consolidated entity").

Where an entity either began or ceased to be controlled during the year, the results are included only from the date control commenced or up to the date control ceased.

The balances, and effects of transactions, between controlled entities included in the consolidated financial statements have been eliminated.

Goodwill

Goodwill, representing the excess of the purchase consideration plus incidental costs over the fair value of the identifiable net assets acquired on the acquisition of the controlled entity, WT Travel Pty Ltd, is amortised over the period of time during which benefits are expected to arise.

Goodwill is amortised on a straight line basis over 10 years.

The unamortised balance of goodwill is reviewed at least at each reporting date. Where the balance exceeds the value of expected benefits, the difference is charged to the statements of financial performance.

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax

The Association is exempt from income tax under the income tax legislation.

Revenue recognition

Membership subscriptions

Membership subscriptions represent revenue earned from affiliation fees received from the various state branches.

Gown of the Year showing

Gown of the Year showing represents revenue earned from the Gown of the Year showings held throughout Australia during the year.

Interest and rental income

Interest and rental income is recognised as it accrues.

Travel agency revenue

Travel agency revenue comprises revenue earned (net of returns, discounts and allowances) from the sale of travel products and services. Travel agency revenue is recognised when the travel products and services are taken.

Special levies

Special levies are periodically collected from state branches.

Other revenue

Other revenue includes grants, entry fees, sponsorships and book sales.

Recognition of Gown of the Year Showing Income and Expenses

In accordance with the principle of matching revenue with expenses, all revenue and expenses of a particular year's Gown of the Year showing are recognised in the calendar year in which the showing is held. Revenue received and expenses incurred prior to the next showing are carried forward as deferred income and prepaid expenses in the financial statements at the end of the financial year.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Current Assets

Trade debtors

Trade debtors to be settled are carried at amounts due. The collectibility of debts is assessed at balance date and specific provision is made for any doubtful accounts. The carrying amount of trade debtors approximate net fair value.

Bank bills

Bank bills mature within 31 to 107 days (2001: 91 to 167 days) from balance date and pay interest at 4.40% to 4.80% (2001: 4.62% to 4.85%).

Short term deposits

Bank short term deposits mature within 25 to 36 days (2001: 6 to 62 days) from balance date and pay interest at rates between 1.70% to 4.80% (2001: 4.75% to 4.80%).

Recoverable Amount of Non-Current Assets Valued on Cost Basis

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower amount. The write-down is recognised as an expense in the net profit or loss in the reporting period in which it occurs. In assessing recoverable amounts of non-current assets the relevant cash flows have not been discounted to their present value. Except where specifically stated, non-current assets are recorded at the lower of cost and recoverable amount.

Property, Plant and Equipment

Acquisition

Items of property, plant and equipment are initially recorded at cost and depreciated as outlined below.

Depreciation and amortisation

Items of property, plant and equipment including buildings and leasehold property, are depreciated/amortised using the straight line method over their estimated useful lives.

The depreciation rates used for each class of asset are as follows:

Furniture and fittings	5.0% to 40.0%
Investment property	2.5%
Leasehold improvements	10.0%
Motor vehicles	15.0%

Assets are depreciated or amortised from the date of acquisition.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, Plant and Equipment (continued)

Leased property

Payments made under operating leases are charged against profits in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

Investments

Controlled entity

Investments in controlled entities are carried in the consolidated financial statements at the lower of cost and recoverable amount. Dividends and distributions are brought to account in the statements of financial performance when they are declared by the controlled entities.

Other companies

Investments in other listed and unlisted companies are carried at the lower of cost, and recoverable amount.

Investment property

The investment property comprises a readily realisable investment interest in land and buildings held for the purpose of letting to produce rental income. Land and buildings comprising the investment property are regarded as a composite asset, and are disclosed as such in the consolidated financial statements. The investment property is valued at cost and depreciation has been calculated on a straight line basis at 2.5%.

Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Association or consolidated entity. The carrying amount of accounts payable approximate net fair value.

Employee Entitlements

Wages, salaries and annual leave

The provisions for employees' entitlements to wages, salaries and annual leave represents the amount which the consolidated entity has a present obligation to pay resulting from employees' services provided up to balance date. The provisions have been calculated at undiscounted amounts based on current wage and salary rates and includes related on-costs.

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Entitlements (continued)

Long service leave

The liability for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance date.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rates, and the consolidated entity's experience with staff departures. Related on-costs have also been included in the liability.

Superannuation plan

Contributions are charged against income as they are made.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statements of financial position.

Cash flows are included in the statements of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 274, which states as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

3. DISCONTINUING OPERATIONS

WT Travel

On 15 June 2002, the Association's controlled entity, WT Travel Pty Ltd ceased its travel agency operations. WT Travel Pty Ltd provided travel and related products to the public through its two branches as Doncaster and Eastwood, and provided the same services to Members of the Association on a discounted basis. Travel agency operations were ceased due to ongoing losses being sustained by the entity. The significant unfavourable factors were the impact of the September 11, 2001 terrorist attacks on the travel industry and the Ansett Airline financial collapse.

Financial information for WT Travel was as follows:

	Consolidated	
	2002	2001
	\$	\$
Financial performance information for the year ended 30 June 2002		
Revenue from ordinary activities	4,910,911	6,454,030
Expenses from ordinary activities	<u>5,052,537</u>	<u>6,475,370</u>
Total surplus/(deficit)	<u>(141,626)</u>	<u>(21,340)</u>
Financial position information as at 30 June 2002		
Segment assets	69,737	367,550
Segment liabilities	<u>(358,488)</u>	<u>(513,464)</u>
Deficiency in Net Assets	<u>(288,751)</u>	<u>(145,914)</u>
Cash flow information for the year ended 30 June 2002		
Net cash provided by/(used in) operating activities	(292,966)	35,612
Net cash provided by/(used in) investing activities	5,255	(3,406)
Net cash provided by financing activities	<u>85,815</u>	<u>-</u>
Net increase/(decrease) in cash held	<u>(201,896)</u>	<u>32,206</u>

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
4. CURRENT ASSETS				
Accrued income	102,518	43,828	102,518	43,828
Cash at bank	201,567	311,914	131,830	40,281
Money market at call	1,007,879	2,399,970	1,007,879	2,399,970
Prepayments	169,375	202,282	169,375	190,054
Bank bills	13,204,663	10,880,186	13,204,663	10,880,186
Short term deposits	429,253	501,934	429,253	501,934
Other debtors	-	5,412	-	-
GST receivable	41,251	30,739	41,251	30,739
Trade debtors	-	55,114	-	-
Less provision for doubtful debts	-	(200)	-	-
	-	54,914	15,086,769	-
Loan to controlled entity	-	-	309,631	223,816
Less provision for doubtful debts	-	-	(288,751)	(147,125)
	-	-	20,880	76,691
	<u>15,156,506</u>	<u>14,431,179</u>	<u>15,107,649</u>	<u>14,163,683</u>

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
5. NON-CURRENT ASSETS				
Furniture and fittings, at cost	274,661	326,373	274,661	262,902
Less accumulated depreciation	(232,260)	(262,112)	(232,260)	(204,471)
	<u>42,401</u>	<u>64,261</u>	<u>42,401</u>	<u>58,431</u>
Goodwill, at cost	118,070	118,070	-	-
Less accumulated amortisation	(118,070)	(91,504)	-	-
	<u>-</u>	<u>26,566</u>	<u>-</u>	<u>-</u>
Investment property, at cost	555,051	555,051	555,051	555,051
Less accumulated depreciation	(138,014)	(127,329)	(138,014)	(127,329)
	<u>417,037</u>	<u>427,722</u>	<u>417,037</u>	<u>427,722</u>
Leasehold improvements, at cost	137,114	137,114	137,114	137,114
Less accumulated depreciation	(103,759)	(90,047)	(103,759)	(90,047)
	<u>33,355</u>	<u>47,067</u>	<u>33,355</u>	<u>47,067</u>
Motor vehicles, at cost	67,785	79,288	67,785	67,785
Less accumulated depreciation	(42,112)	(37,695)	(42,112)	(31,945)
	<u>25,673</u>	<u>41,593</u>	<u>25,673</u>	<u>35,840</u>
Shares in unlisted company, (AFI Pty Ltd), at cost	33,171	33,171	33,171	33,171
Less provision for diminution	(33,171)	(33,171)	(33,171)	(33,171)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Shares in controlled entity, at cost	-	-	112,250	112,250
Less provision for diminution	-	-	(112,250)	(85,684)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,566</u>
	<u>518,466</u>	<u>607,209</u>	<u>518,466</u>	<u>595,626</u>

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
5. NON-CURRENT ASSETS				
(Continued)				
Furniture and fittings				
Carrying amount at the beginning of the year	64,261	86,899	58,431	82,748
Additions	11,759	11,907	11,759	8,500
Disposals	(3,882)	-	-	-
Depreciation	(29,737)	(34,545)	(27,789)	(32,817)
Carrying amount at end of year	<u>42,401</u>	<u>64,261</u>	<u>42,401</u>	<u>58,431</u>
Goodwill				
Carrying amount at the beginning of the year	26,566	38,373	-	-
Amortisation	(26,566)	(11,807)	-	-
Carrying amount at end of year	<u>-</u>	<u>26,566</u>	<u>-</u>	<u>-</u>
Investment property				
Carrying amount at the beginning of the year	427,722	438,407	427,722	438,407
Depreciation	(10,685)	(10,685)	(10,685)	(10,685)
Carrying amount at end of year	<u>417,037</u>	<u>427,722</u>	<u>417,037</u>	<u>427,722</u>
Leasehold improvements				
Carrying amount at the beginning of the year	47,067	60,779	47,067	60,779
Depreciation	(13,712)	(13,712)	(13,712)	(13,712)
Carrying amount at end of year	<u>33,355</u>	<u>47,067</u>	<u>33,355</u>	<u>47,067</u>
Motor vehicles				
Carrying amount at the beginning of the year	41,593	53,485	35,840	46,007
Disposals	(4,100)	-	-	-
Depreciation	(11,820)	(11,892)	(10,167)	(10,167)
Carrying amount at end of year	<u>25,673</u>	<u>41,593</u>	<u>25,673</u>	<u>35,840</u>

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
5. NON-CURRENT ASSETS				
(Continued)				
Shares in controlled entity				
Carrying amount at the beginning of the year	-	-	26,566	38,373
Provision for diminution	-	-	(26,566)	(11,807)
Carrying amount at end of year	-	-	-	26,566
6. CURRENT LIABILITIES				
Deferred income	23,435	32,329	23,435	32,329
Other creditors	184,201	104,016	135,344	109,291
Provision for holiday pay	110,472	153,910	110,472	114,856
Provision for long service leave	259,469	190,764	259,469	158,099
Provision for incentive payments	-	3,691	-	-
Accruals	2,607	5,291	2,607	5,291
Trade creditors	-	147,636	-	-
Travel deposits	-	61,308	-	-
	<u>580,184</u>	<u>698,945</u>	<u>531,327</u>	<u>419,866</u>
7. NON-CURRENT LIABILITIES				
Provision for long service leave	<u>8,286</u>	<u>81,457</u>	<u>8,286</u>	<u>81,457</u>
8. EMPLOYEE ENTITLEMENTS				
Aggregate employee entitlements, including on-costs:				
Current	369,941	348,365	369,941	272,955
Non-current	8,286	81,457	8,286	81,457
	<u>378,227</u>	<u>429,822</u>	<u>378,227</u>	<u>354,412</u>
Number of employees				
Number of employees at year end	14	24	14	17

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

**9. OFFICERS'
REMUNERATION**

Officers' Income	Association	
	2002	2001
The number of National Officers whose income, inclusive of superannuation contributions, from the Association falls within the following bands:		
\$ 0 - \$ 9,999	2	2
\$70,000 - \$79,999	1	1
\$90,000 - \$99,999	1	1

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
Total income, inclusive of superannuation contributions, paid or payable or otherwise made available, to all National Officers from the Association			<u>183,572</u>	<u>174,879</u>

Total income, inclusive of superannuation contributions, paid or payable or otherwise made available, to all National Officers and directors in the consolidated entity from the Association or its controlled entity	<u>305,228</u>	<u>250,874</u>
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10. RELATED PARTY DISCLOSURES

Officers

The names of each person holding the position of National Officer of the Association during the financial year are Messrs D Farrell, G Williams, J de Bruyn and I Blandthorn.

Details of Officers' remuneration are set out in Note 9.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

10. RELATED PARTY DISCLOSURES (continued)

Wholly-Owned Group

Loans

The Association has provided a loan to its controlled entity, WT Travel Pty Ltd, amounting to \$309,631 (2001: \$223,816). A provision for doubtful debts of \$288,751 (2001: \$147,125) has been taken up in respect of the balance of the loan.

Other transactions

The controlled entity provided travel and related products to members of the Association on a discounted basis. In addition, sales of travel and related products were made to the National Officers and Directors of the economic entity on the same discounted basis available to members of the Association.

During the year, the Shop Distributive and Allied Employees' Association state branches of New South Wales and Victoria incurred expenditure of \$106,238 (2001: \$108,920) and \$39,384 (2001:nil) respectively on behalf of WT Travel Pty Ltd, which will not be charged to WT Travel Pty Ltd.

11. PARTICULARS IN RELATION TO THE CONTROLLED ENTITY

Name

Shop Distributive and Allied Employees' Association National Council, including the Mannequins and Models Guild of Australia and the International Fund.

	Class of Share	2002 %	2001 %
<i>Controlled entity</i>			
WT Travel Pty Ltd	Ord	100	100

WT Travel Pty Ltd, an Australian controlled entity, was audited by KPMG. It was purchased by the Shop Distributive and Allied Employees' Association National Council on 30 September 1993.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

12. NOTES TO THE STATEMENTS OF CASH FLOWS

Reconciliation of Cash

For the purposes of the statements of cash flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statements of financial position as follows:

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
Cash at bank	201,567	311,914	131,830	40,281
Money market account at call	1,007,879	2,399,970	1,007,879	2,399,970
	<u>1,209,446</u>	<u>2,711,884</u>	<u>1,139,709</u>	<u>2,440,251</u>

Reconciliation of operating profit to net cash provided by operating activities

Operating profit	828,516	1,147,074	828,516	1,147,074
Add non-cash items:				
Doubtful debts expense	(200)	-	141,626	33,147
Provision for diminution	-	-	26,566	-
Loss on disposal of assets	2,727	-	-	-
Amortisation of goodwill	26,566	11,807	-	-
Depreciation	65,954	70,834	62,353	67,381
Net cash provided by operating activities before change in assets and liabilities	923,563	1,229,715	1,059,061	1,247,602
Change in assets and liabilities during the financial year:				
Decrease/(Increase) in accrued income	(58,690)	24,054	(58,690)	24,054
Decrease/(Increase) in prepayments	32,907	(48,055)	20,679	(48,566)
Decrease/(Increase) in deposits	(319)	400	(319)	-
Decrease/(Increase) in debtors	52,227	(67,963)	(10,512)	(30,739)
Increase/(Decrease) in deferred income	(8,894)	(12,859)	(8,894)	(12,859)
Increase/(Decrease) in other creditors	74,281	2,704	26,053	15,034
Increase/(Decrease) in provisions	(47,904)	74,976	23,815	81,430
Increase/(Decrease) in accruals	(2,684)	5,291	(2,684)	5,291
Increase/(Decrease) in trade creditors	(147,636)	106,904	-	-
Increase/(Decrease) in travel deposits	(61,308)	1,693	-	-
Net cash provided by operating activities	<u>755,543</u>	<u>1,316,860</u>	<u>1,048,509</u>	<u>1,281,247</u>

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

13. FINANCIAL INSTRUMENTS DISCLOSURE

Interest rate risk exposure

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

2002	Note	Floating interest rate \$	Fixed interest maturing in 1 year or less \$	Non-interest bearing \$	Total \$
<i>Financial assets</i>					
Accrued income	4	-	-	102,518	102,518
Cash	4	1,209,446	-	-	1,209,446
Bank bills	4	-	13,204,663	-	13,204,663
Short term deposits	4	-	429,253	-	429,253
Trade debtors	4	-	-	-	-
		1,209,446	13,633,916	102,518	14,945,880
Weighted average interest rate		3.38%	4.58%		
<i>Financial liabilities</i>					
Deferred income	6	-	-	23,435	23,435
Other creditors	6	-	-	184,201	184,201
Trade creditors	6	-	-	-	-
Travel deposits	6	-	-	-	-
Provision for holiday pay	6	-	-	110,472	110,472
Provision for long service leave	6,7	-	-	267,755	267,755
Provision for incentive payments	6	-	-	-	-
Accrued expenses	6	-	-	2,607	2,607
		-	-	588,470	588,470

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

13. FINANCIAL INSTRUMENTS DISCLOSURE (continued)

2001	Note	Floating interest rate \$	Fixed interest maturing in 1 year or less \$	Non-interest bearing \$	Total \$
<i>Financial assets</i>					
Accrued income	4	-	-	43,828	43,828
Cash	4	2,711,884	-	-	2,711,884
Bank bills	4	-	10,880,186	-	10,880,186
Short term deposits	4	-	501,934	-	501,934
Trade debtors	4	-	-	54,914	54,914
		2,711,884	11,382,120	98,742	14,192,746
Weighted average interest rate		4.26%	4.75%	-	-
<i>Financial liabilities</i>					
Deferred income	6	-	-	32,329	32,329
Other creditors	6	-	-	104,016	104,016
Trade creditors	6	-	-	147,636	147,636
Travel deposits	6	-	-	61,308	61,308
Provision for holiday pay	6	-	-	153,910	153,910
Provision for long service leave	6,7	-	-	272,221	272,221
Provision for incentive payments	6	-	-	3,691	3,691
Loan – SDA Victorian Branch	6	-	-	5,291	5,291
		-	-	780,402	780,402

Credit risk exposure

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

Recognised financial instruments

The credit risk on financial assets, excluding investments, of the consolidated entity which have been recognised on the statements of financial position, is the carrying amount, net of any provisions for doubtful debts.

Net fair values of financial assets and liabilities

The carrying amounts of financial assets and liabilities in the statements of financial position approximate net fair value.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

	Consolidated		Association	
	2002	2001	2002	2001
	\$	\$	\$	\$
14. COMMITMENTS				
Operating Lease Commitments				
Future operating lease rentals not provided for in the financial statements and payable:				
not later than one year	109,200	201,467	109,200	109,200
later than one year but not later than five years	-	303,298	-	-
	109,200	504,765	109,200	109,200

15. CONTINGENT LIABILITIES

Controlled Entity

The Association has provided the following guarantees in respect of the controlled entity, WT Travel Pty Ltd:

- (1) Guarantees in favour of the Travel Compensation Fund of \$202,000 (2001: \$200,000).
- (2) Guarantees in favour of the International Air Transport Association of \$226,934 (2001: \$301,934).
- (3) Guarantees in favour of the controlled entity's operating and financial obligations of \$300,000 (2001: \$200,000).

16. EVENTS SUBSEQUENT TO BALANCE DATE

Since 30 June 2002, the Shop Distributive and Allied Employees' Association National Council has entered into an agreement to purchase a building with a total cost of \$5.5 million. Settlement of the purchase occurred on 30 September 2002.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NATIONAL COUNCIL AND ITS CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002**

17. STATEMENT OF OPERATIONS OF SEGMENTS

Industry Segments	Travel Agency		Trade Union		Adjustments		Consolidated	
	2002	2001	2002	2001	2002	2001	2002	2001
	\$	\$	\$	\$	\$	\$	\$	\$
Total revenue	4,910,911	6,454,030	4,603,521	4,618,511	(83,468)	(135,546)	9,430,964	10,936,995
Total expenses	5,052,537	6,475,370	3,775,005	3,471,437	(225,094)	(156,886)	8,602,448	9,789,921
Total surplus/ (deficit) by segment	(141,626)	(21,340)	828,516	1,147,074	141,626	21,340	828,516	1,147,074
Total assets by segment	69,737	67,550	15,626,115	14,759,309	(20,880)	(88,471)	15,674,972	15,038,388
Total liabilities by segment	358,488	513,464	539,613	501,323	(309,631)	(234,385)	588,470	780,402

The operations of the Shop Distributive and Allied Employees' Association National Council and W T Travel Pty Ltd are considered to be complementary business segments as the services provided by both entities are for the benefit of union members.

The consolidated entity operates predominantly in Australia.



AUSTRALIAN INDUSTRIAL REGISTRY

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Mr J de Bruyn
National Secretary/Treasurer
Shop, Distributive and Allied Employees Association
9th Floor
53 Queen Street
MELBOURNE VIC 3000

Dear Mr de Bruyn,

**Re: Shop, Distributive and Allied Employees Association
National Office and NSW Deductions Account Office (FR2002/273)**

Financial documents for the year ended 30 June 2002

Thank you for the financial documents of the National Office and the N.S.W. Deductions Account Office of the Shop, Distributive and Allied Employees Association for the year ended 30 June 2002. The documents were lodged in the Industrial Registry on 25 February 2003.

The documents of both offices have been examined and filed accordingly.

Yours sincerely

Robert Pfeiffer
Statutory Services Branch

4 March 2003