



19 December 2019

Mr Peter O'Keefe
Secretary
Shop, Distributive and Allied Employees Association, Western Australian Branch

By e-mail: sda@sdawa.asn.au

Dear Mr O'Keefe

**Shop, Distributive and Allied Employees Association, Western Australian Branch
Financial Report for the year ended 30 June 2019 - FR2019/145**

I acknowledge receipt of the financial report for the year ended 30 June 2019 for the Shop, Distributive and Allied Employees Association, Western Australian Branch (**the reporting unit**). The financial report was lodged with the Registered Organisations Commission (**ROC**) on 5 December 2019.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 2019 report has been filed the following should be addressed in the preparation of the next financial report.

1. Committee of management statement

Recovery of wages disclosure

Please note that the 5th edition of the Reporting Guidelines (RG) made under section 255 of the RO Act issued 4 May 2018 no longer require a statement in regard to recovery of wages activity in the committee of management statement.

In place of the former requirements, item 13(e) of the 5th edition RGs requires the disclosure of any revenue derived from undertaking recovery of wages activity in either the statement of comprehensive income or the notes to the financial statements. The reporting unit has correctly addressed this in the 'Officer Declaration Statement'.

In future, please ensure that the committee of management statement does not include a statement in regard to recovery of wages.

2. General Purpose Financial Report (GPFR)

Notice setting out sections 272(1), (2) & (3)

Following the enactment of the *Fair Work (Registered Organisations) Amendment Act 2016*, the ROC has been the regulator of registered organisations since 1 May 2017. From this date

s. 272 references to the General Manager (Fair Work Commission) should be changed to Commissioner.

Note 12 to the GPFR refers to 'General Manager'.

In future, please ensure that the s. 272 notice is reproduced in accordance with the current legislation.

Nil disclosures disclosed more than once

The **officer's declaration statement (ODS)** provides reporting units with an option to disclose nil activities not reported elsewhere within the financial report.

Reporting guideline 21 states that if any activity described within items 10-20 of the reporting guidelines has not occurred in the reporting period, a statement to this effect must be included in the financial statements, the notes **or** in an ODS. Nil activities should be disclosed only **once**.

I note that the reporting unit's ODS includes the following items for which there was already a disclosure in the body of the notes.

- Item 10 – agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount) – is disclosed in both the officer's declaration statement and Note 1.14
- Item 11 – agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount) – is disclosed in both the officer's declaration statement and Note 1.14
- Item 14(a) – incur fees as consideration for employers making payroll deductions of membership subscriptions – is disclosed in both the officer's declaration statement and Note 4C
- Item 14(f)(iii) - pay leave and other entitlements to holders of office – is disclosed in both the officer's declaration statement and Note 4A
- Item 14(f)(iv) - pay separation and redundancy to holders of office – is disclosed in both the officer's declaration statement and Note 4A
- Item 14(f)(v) - pay other employee expenses to holders of office – is disclosed in both the officer's declaration statement and Note 4A
- Item 14(g)(iii) - pay leave and other entitlements to employees (other than holders of office) – is disclosed in both the officer's declaration statement and Note 4A
- Item 14(g)(iv) - pay separation and redundancy to employees (other than holders of office) – is disclosed in both the officer's declaration statement and Note 4A
- Item 14(g)(v) - pay other employee expenses to employees (other than holders of office) – is disclosed in both the officer's declaration statement and Note 4A

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours faithfully



KEN MORGAN
Financial Reporting Specialist
Registered Organisations Commission

:NK
5th December 2019

Commissioner
Registered Organisations Commission
GPO Box 2983
MELBOURNE VIC 3001
regorgs@roc.gov.au

Dear Sir

**RE: Financial Documents – 30 June 2019
Shop, Distributive and Allied Employees' Association, Western Australian Branch**

Please find attached a copy of the Operating Report, General Purpose Financial Report and Auditor's Report in relation to the Shop, Distributive and Allied Employees' Association, Western Australian Branch for the year ended 30 June 2019.

The above mentioned documents contain the appropriate information and certificates as required by legislation and are submitted for filing.

Yours faithfully,



Peter O'Keeffe
Branch Secretary

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All correspondence to be addressed to the Branch Secretary

Shop, Distributive and Allied Employees' Association (Western Australian Branch)

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Shop, Distributive and Allied Employees' Association, Western Australian Branch

FINANCIAL STATEMENTS 2018–19

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Shop, Distributive and Allied Employees' Association, Western Australian Branch

Certificate By Prescribed Designated Officer

for the year ended 30 June 2019

I Peter O'Keeffe being the Branch Secretary of the Shop, Distributive and Allied Employees' Association, Western Australian Branch certify:

- that the documents lodged herewith are copies of the full report for the Shop, Distributive and Allied Employees' Association, Western Australian Branch for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided via post to members of the reporting unit on or before 27 September 2019; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 4 December 2019 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer: Peter O'Keeffe

Title of prescribed designated officer: Branch Secretary

Dated: 5 December 2019



Independent Auditor's Report

To the members of the Shop, Distributive and Allied Employees' Association,
Western Australian Branch

Opinion

We have audited the **Financial Report** of the Shop, Distributive and Allied Employees' Association, Western Australian Branch (the Entity).

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with *Australian Accounting Standards* and any requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisation) Act 2009*.

We declare that management's use of the going concern basis of preparation of the Financial Report of the Entity is appropriate.

The **Financial Report** comprise:

- Statement of financial position as at 30 June 2019, Statement of other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Expenditure Report as required as required under subsection 255(2A) of the *Fair Work (Registered Organisation) Act 2009* for the year ended 30 June 2019
- Committee of Management Statement
- Officer Declaration Statement

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Entity in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Restriction on use and distribution

The Financial Report has been prepared to assist the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch in meeting the financial reporting requirements of the *Fair Work (Registered Organisations) Act 2009*.



As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch and should not be used by parties other than the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch. We disclaim any responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch or for any other purpose than that for which it was prepared.

Other Information

Other Information is financial and non-financial information in the Shop, Distributive and Allied Employees' Association, Western Australian Branch's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Committee of Management is responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management is responsible for:

- The preparation and fair presentation of the Financial Report in accordance with the financial reporting requirements of Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*
- Implementing necessary internal control to enable the preparation of Financial Report that are free from material misstatement, whether due to fraud or error
- Assessing the Entity's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_files/ar4.pdf. This description forms part of our Auditor's Report.

I declare that I am an approved auditor as defined by Regulation 4 of the *Fair Work (Registered Organisations) Regulations 2009*, a member of the Institute of Chartered Accountants in Australia and hold a current Public Practice Certificate.

KPMG

Matthew Hingeley
Partner

Registration number (as registered by the
Registered Organisations Commissioner under
the *Registered Organisations Act 2009*:
AA2019/14

235 St Georges Terrace
Perth, WA 6000

4 September 2019

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Report Required under Subsection 255(2A)

for the year ended 30 June 2019

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2019.

	2019	2018
	\$	\$
Categories of expenditures		
Remuneration and other employment-related costs and expenses - employees	279,400	257,754
Advertising	-	-
Operating costs	921,070	921,939
Donations to political parties	-	-
Legal costs	-	-

Signature of designated officer:



Name and title of designated officer: Peter O'Keeffe, Branch Secretary

Dated: 4th September 2019

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Operating Report

for the year ended 30 June 2019

The Committee of Management presents its report on the reporting unit for the financial year ended 30 June 2019.

(1) Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

a) Major cases which the WA Branch either ran or were associated with:

Good Guys

- The WA Branch's Federal Court application alleging various breaches of the 'General Protections' chapter of the Fair Work Act was dismissed in April 2019.

Four yearly review of modern awards - District/Location Allowances

- The WA Branch's applications for location allowances were heard in April 2018. The WA Branch continues to wait for the Fair Work Commission to hand down its decision.

Target

- The WA Branch filed a new application in the Federal Court seeking a declaration as to the proper interpretation of clause 7.2.10 of the Target Australia Retail Agreement 2012. The matter is listed for hearing for late March 2020.
- b) In addition to the above matters the WA Branch lodged about 14 unfair dismissal claims with the Fair Work Commission on behalf of members. Most of those matters were settled to the satisfaction of the member. There were also a number of matters relating to dismissals and or underpayments which were settled to the satisfaction of the member without the need to lodge proceedings in the Commission. Further, the early intervention of industrial officers and organisers in industrial disputes which may have resulted in termination saved the employment of many members.
- c) The Union employed 24 organisers during the financial year with one of their functions being to visit retail, fast food and wholesale stores and distribution centres on a regular basis to recruit and service members. Organisers provided a valuable daily "hands on" service to members and were instrumental in solving industrial questions and problems as they arose.
- d) The WA Branch's members were covered by about 91 enterprise agreements (including agreements past their nominal expiry date but still in force). About ten agreements were negotiated by the National office and or the WA Branch and approved by the FWC during the 2018/19 financial year. The enterprise agreements provide improved wages, conditions and flexibilities for members in addition to the modern award and legislative safety net standards.
- e) The WA Branch has continued its relationship with Eureka Lawyers which has ensured members have had, and will continue to have, proper support and legal representation.

The WA Branch supports members and handles matters involving work related injuries commonly known as "workers' compensation", and has had about 60 ongoing files at any one time during the 2018/2019 financial year. The majority of those claims were settled in conjunction with Eureka Lawyers.

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Operating Report (continued)

for the year ended 30 June 2019

(1) Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year (continued)

- f) The WA Branch continued to provide training courses for its delegates during the 2018/2019 financial year.
- g) There have been no significant changes in the WA Branch's principal activities.

(2) Significant changes in financial affairs

There were no significant changes to the Branch's financial affairs that occurred during the year under review.

(3) Detail of the right of members to resign under S174 of the Fair Work (Registered Organisations) Act 2009

Members of the SDA are entitled to resign pursuant to section 174 Termination of Membership. The SDA strictly adheres to the resignation from membership provisions, contained therein. These rights include:

- Resignation by notice in writing.
- Resignation takes effect on the day it is received or the day specified in the notice or at the end of a two week period, whichever is applicable.

(4) Details of any officer or member of the reporting unit who is:

- a.* **A trustee of a superannuation entity or an exempt public sector superannuation scheme; or**
- b.* **A director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and**

Where being a member or officer of a registered organisation is a criterion for them holding such position

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Operating Report (continued)

for the year ended 30 June 2019

(5) Names of Committee of Management members and periods of positions held during the financial year

The following persons held office through the entire period 1 July 2018 to 30 June 2019 unless otherwise indicated:

Branch President	Grace Thomson
Branch Vice President	Pamela Bowman
Branch Secretary	Peter O'Keeffe
Branch Assistant Secretary	Ben Harris
Branch Treasurer	Tony Hoh
Management Member	Margaret Zurakowski
Management Member	Michele Moyes
Management Member	Teegan Adams
Management Member	Trevor Cook
Management Member	Kerrie Pugh

(6) Number of members

The number of persons in the register of members is 22,699.

(7) Number of employees

The reporting unit employed 27 employees during the year.

(8) Other

- The report is signed and dated by the designated officer
- At point (1) the report contains a review of principal activities
- At point (2) are details of significant change of financial affairs
- At point (3) are details of the rights of members to resign
- At point (4) are details of superannuation trustees
- At point (5) are details of membership of the Committee of Management
- At point (6) are details of number of members
- At point (7) are details of number of employees

Signature of designated officer: 

Name and title of designated officer: Peter O'Keeffe, Branch Secretary

Dated: 4th September 2019

Shop, Distributive and Allied Employees' Association, Western Australian Branch

COMMITTEE OF MANAGEMENT STATEMENT

for the year ended 30 June 2019

On the 4th September 2019 the Committee of Management of the Shop, Distributive and Allied Employees' Association, Western Australian Branch passed the following resolution in relation to the general purpose financial report (**GPFR**) for the year ended 30 June 2019:

The Committee of management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**);
- (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; and
- (e) during the financial year to which the GPFR relates and since the end of that 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
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer: 

Name and title of designated officer: Peter O'Keeffe, Branch Secretary

Dated: 4th September 2019

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Statement of Comprehensive Income

for the year ended 30 June 2019

	Note	2019	2018
		\$	\$
Revenue			
Membership subscription		65	93
Levies	3A	122,287	180,461
Total revenue		<u>122,352</u>	<u>180,554</u>
Other Income			
Grants and/or donations	3B	1,078,985	1,000,065
Total other income		<u>1,078,985</u>	<u>1,000,065</u>
Total income		<u>1,201,337</u>	<u>1,180,619</u>
Expenses			
Employee expenses	4A	(279,400)	(257,754)
Affiliation fees (internal)	4B	(797,485)	(740,065)
Administration expenses	4C	(122,287)	(180,461)
Audit fees	9	(1,298)	(1,413)
Total expenses		<u>(1,200,470)</u>	<u>(1,179,693)</u>
Surplus for the year		<u>867</u>	<u>926</u>
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Total comprehensive income for the year		<u>867</u>	<u>926</u>

The above statement should be read in conjunction with the notes.

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Statement of Financial Position

as at 30 June 2019

	Note	2019 \$	2018 \$
Assets			
Current Assets			
Cash and cash equivalents	5A	275,253	277,465
Trade and other receivables	5B	1,979	2,727
Total current assets		<u>277,232</u>	<u>280,192</u>
Total assets		<u>277,232</u>	<u>280,192</u>
Liabilities			
Current liabilities			
Trade payables	6A	-	440
Other payables	6B	10,316	13,703
Total current liabilities		<u>10,316</u>	<u>14,143</u>
Total liabilities		<u>10,316</u>	<u>14,143</u>
Net assets		<u>266,916</u>	<u>266,049</u>
Equity			
General funds		-	-
Retained earnings		266,916	266,049
Total equity		<u>266,916</u>	<u>266,049</u>

The above statement should be read in conjunction with the notes.

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Statement of Changes in Equity

for the year ended 30 June 2019

	General funds	Retained earnings	Total equity
	\$	\$	\$
Balance as at 1 July 2017	-	265,123	265,123
Surplus	-	926	926
Other comprehensive income	-	-	-
Closing balance as at 30 June 2018	-	266,049	266,049
Surplus	-	867	867
Other comprehensive income	-	-	-
Closing balance as at 30 June 2019	-	266,916	266,916

The above statement should be read in conjunction with the notes.

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Statement of Cash Flows

for the year ended 30 June 2019

	Notes	2019 \$	2018 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	-	1,099
Cash receipts from customers		1,321,384	1,180,619
Other		748	11,631
		<u>1,322,132</u>	<u>1,193,349</u>
Cash used			
Employees		(307,340)	(257,754)
Suppliers		(5,255)	(567)
Payment to other reporting units	7B	(1,011,749)	(921,625)
Net cash (used in)/from operating activities		<u>(2,212)</u>	<u>13,403</u>
Net (decrease)/increase in cash held	7A	<u>(2,212)</u>	<u>13,403</u>
Cash & cash equivalents at the beginning of the reporting period		<u>277,465</u>	<u>264,062</u>
Cash & cash equivalents at the end of the reporting period	5A	<u>275,253</u>	<u>277,465</u>

The above statement should be read in conjunction with the notes.

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Note 10	Financial instruments
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Note 12	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are Tier 1 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 Shop, Distributive and Allied Employees' Association, Western Australian Branch 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.

The financial statements have been prepared using the going concern basis of preparation.

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 Significant accounting judgements and estimates

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 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 except for the following standards and amendments, which have been adopted for the first time this financial year:

- AASB 9 Financial Instruments and relevant amending standards, which replaces AASB 139 Financial Instruments: Recognition and Measurement.

The adoption of this amendment did not have an impact on the reporting unit as the reporting unit does not hold any financial instruments impacted by the changes to the standard.

- AASB 2017-1 Amendments to Australian Accounting Standards – Transfers of Investments Property, Annual Improvements 2014-2016 Cycle and other amendments, which clarify certain requirements in:
 - AASB 12 Disclosure of Interests in Other Entities – clarification of scope
 - AASB 128 Investments in Associates and Joint Ventures – measuring an associate or joint venture at fair value
 - AASB 140 Investment Property – change in use

The nature and effects of the changes required by this standard has no material impact on the financial statements of the reporting unit.

- AASB Interpretation 22 Foreign Currency Transactions and Advance Considerations, which clarifies that the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration.

The nature and effects of the changes required by this standard has no material impact on the financial statements of the reporting unit.

Impact on adoption of AASB 9

(a) Initial application

AASB 9 *Financial Instruments (AASB 9)* replaces AASB139 *Financial Instruments: Recognition and Measurement (AASB 139)* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The reporting unit has applied AASB 9 retrospectively, with an initial application date of 1 July 2018. The reporting unit has not restated the comparative information, which continues to be reported under AASB 139. Differences arising from the adoption of AASB 9 have been recognised directly in opening retained earnings and other components of equity as at 1 July 2018. The nature and effect of the changes as a result of adoption of AASB 9 are as follows:

Impact on the statement of financial position (increase/(decrease)):

	Ref adjustments	1 July 2018 \$
Classification and measurement	(i)	-
Impairment	(ii)	-
Other adjustments		-
		<hr/>
		<hr/>

	Ref adjustments	1 July 2018 \$
Assets		
Trade and other receivables	(ii)	-
Investments in associates		-
Other non-current assets	(ii)	-
Total assets		
Total adjustments on equity		
Retained earnings	(i) (ii)	-
Other components of equity	(i) (ii)	-

The nature of these adjustments are described below.

(i) Classification and measurement

Under AASB 9, financial assets are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the reporting unit's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the reporting unit's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact to the reporting unit.

- Trade receivables and other non-current financial assets (i.e., Loan to a related party) previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are now classified and measured as debt instruments at amortised cost.

The reporting unit has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the reporting unit's financial liabilities.

In summary, upon adoption of AASB 9, the reporting unit applied the following required or elected reclassifications:

1 July 2018	AASB 9 measurement category			
	Fair value through profit or loss	Amortised cost	Fair value through OCI	
	\$	\$	\$	\$
AASB 139 measurement category				-
Loans and receivables				
Cash and cash equivalents	277,465	-	277,465	-
Trade and other receivables	2,727	-	2,727	-
	<u>280,192</u>	-	<u>280,192</u>	-

*The change in carrying amount is a result of additional impairment allowance. See discussion on impairment below.

(ii) Impairment loss

The adoption of AASB 9 has fundamentally changed the reporting unit's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking ECL approach. AASB 9 requires the reporting unit to recognise an allowance for ECLs for all financial assets not held at fair value through profit or loss and contract assets, i.e. those held at amortised cost and at FVTOCI.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on Shop, Distributive and Allied Employees' Association, Western Australian Branch include AASB 16 Leases and AASB 1058 Income of Not-For-Profit Entities, which will become mandatory from the reporting unit's 2020 financial statements. The reporting unit does not plan to adopt these standards early and the extent of the impact is not material.

1.5 Revenue

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

Donations sufficient to meet the expenses of the reporting unit were received only from the Shop, Distributive and Allied Employees' Association, of Western Australia (**SDAWA**). These expenses include the federal affiliation fee (internal) and the international fund levy. The federal affiliation fee (internal) is based on 10% of the membership fees earned by the SDAWA in the previous financial year. The international fund levy is based on 1.5% of the membership fees earned by the SDAWA in the previous year. Donations are recognised when the donation is received or receivable.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

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

1.6 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The reporting unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

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.

1.8 Financial instruments

Financial assets and financial liabilities are recognised when the Shop, Distributive and Allied Employees' Association, Western Australian Branch becomes a party to the contractual provisions of the instrument.

1.9 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the reporting unit's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the reporting unit initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The reporting unit's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the reporting unit commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at amortised cost

The reporting unit measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The reporting unit's financial assets at amortised cost includes trade receivables and loans to related parties.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The reporting unit has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the reporting unit has transferred substantially all the risks and rewards of the asset, or
 - b) the reporting unit has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the reporting unit has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the reporting unit continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the reporting unit applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the reporting unit does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The reporting unit has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

1.10 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The reporting unit's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.11 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.12 Taxation

The Shop, Distributive and Allied Employees' Association, Western Australian Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the 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 statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.13 Fair value measurement

The fair values of financial instruments measured at amortised cost are disclosed in Note 11A. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by The Shop, Distributive and Allied Employees' Association, Western Australian Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Shop, Distributive and Allied Employees' Association, Western Australian Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Shop, Distributive and Allied Employees' Association, Western Australian Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Shop, Distributive and Allied Employees' Association, Western Australian Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.14 Going concern

The Committee of Management have prepared the financial report on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business and at the amounts stated in the financial report.

The reporting unit made a profit of \$867 for the year ended 30 June 2019 (30 June 2018: \$926), had an operating cash outflow of \$2,212 (30 June 2018: inflow of \$13,403) and a net current asset position of \$266,916 (30 June 2018: \$266,049).

The principal source of income is from The Shop, Distributive and Allied Employees' Association of Western Australia. Whilst past practice has been for The Shop, Distributive and Allied Employees' Association of Western Australia to donate sufficient funds to the reporting unit to meet its operating costs, if this income was discontinued, the reporting unit has the ability to directly charge its members fees which would be sufficient to meet its operating costs.

The Shop, Distributive and Allied Employees' Association, Western Australian Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Shop, Distributive and Allied Employees' Association, Western Australian Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2019, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of The Shop, Distributive and Allied Employees' Association, Western Australian Branch.

	2019	2018
	\$	\$

Note 3 Income

Note 3A: Levies

No One Deserves a Serve Campaign	54,884	31,890
Plastic Bag Ban Campaign	-	23,161
Change the Rules Campaign	-	105,435
Subscriptions and printing	1,024	698
ALP Election Donation	48,729	-
Intranet	3,135	6,745
ACTU congress Accommodation	-	3,262
Workit Project Fees	14,515	9,270
Total levies	122,287	180,461

Note 3B: Grants and/or donations

Grants	-	-
Donations	1,078,985	1,000,065
Total grants or donations	1,078,985	1,000,065

	2019	2018
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	10,380	10,267
Superannuation	986	975
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>11,366</u>	<u>11,242</u>
Employees other than office holders:		
Wages and salaries	244,780	225,125
Superannuation	23,254	21,387
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses other than office holders	<u>268,034</u>	<u>246,512</u>
Total employee expenses	<u>279,400</u>	<u>257,754</u>
Note 4B: Affiliation fees (internal)		
Shop, Distributive and Allied Employees Association	797,485	740,065
Total affiliation fees/subscriptions	<u>797,485</u>	<u>740,065</u>

	2019	2018
	\$	\$

Note 4C: Administration expenses

Total paid to employers for payroll deductions of membership subscriptions		
Compulsory levies		
Shop, Distributive and Allied Employees Association - ALP Election Donation	48,729	-
Shop, Distributive and Allied Employees Association - No One Deserves a Serve Campaign	54,884	31,890
Shop, Distributive and Allied Employees Association - Plastic Bag Ban Campaign	-	23,161
Shop, Distributive and Allied Employees Association - Change the Rules Campaign	-	105,435
Shop, Distributive and Allied Employees Association - Subscriptions and printing	1,024	698
Intranet	3,135	6,745
Shop, Distributive and Allied Employees Association - ACTU Congress Accommodation	-	3,262
Shop, Distributive and Allied Employees Association - Workit Project Fees	14,515	9,270
Total administration expense	122,287	180,461

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	275,253	277,465
Total cash and cash equivalents	275,253	277,465

Note 5B: Trade and Other Receivables

Other receivables:		
GST receivable	41	40
Other trade receivables	1,938	2,687
Total other receivables	1,979	2,727
Total trade and other receivables (net)	1,979	2,727

Note 6 Current Liabilities

Note 6A: Trade payables

Trade creditors and accruals	-	440
Subtotal trade creditors	-	440
Total trade payables	-	440

Settlement is usually made within 30 days.

	2019	2018
	\$	\$
Note 6B: Other payables		
Superannuation	1,938	2,687
Other	8,378	11,016
Total other payables	<u>10,316</u>	<u>13,703</u>
Total other payables are expected to be settled in:		
No more than 12 months	10,316	13,703
More than 12 months	-	-
Total other payables	<u>10,316</u>	<u>13,703</u>

Note 7 Cash Flow

Note 7A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	275,253	277,465
Balance sheet	275,253	277,465
Difference	<u>-</u>	<u>-</u>

Reconciliation of profit to net cash from operating activities:

Surplus for the year	867	926
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Changes in assets/liabilities

Decrease in net receivables	748	11,631
(Decrease)/increase in trade and other payables	(3,827)	846
Net cash (used in)/from operating activities	<u>(2,212)</u>	<u>13,403</u>

Note 7B: Cash flow information

Cash inflows	-	-
Cash inflows from other reporting units	-	-
- Shop Distributive and Allied Employees Association	-	1,099
Total cash inflows	<u>-</u>	<u>1,099</u>

Cash outflows	-	-
Cash outflows from other reporting units	-	-
- Shop Distributive and Allied Employees Association	(1,011,749)	(921,625)
Total cash outflows	<u>(1,011,749)</u>	<u>(921,625)</u>

2019	2018
\$	\$

Note 8 Related Party Disclosures

Note 8A: Related Party Transactions for the Reporting Period

All donations and levies are received from the SDAWA. During the year, donations from SDAWA amounted to \$1,201,272 (2018: \$1,180,525). As at 30 June 2019, the amount of \$1,938 (2018: \$2,687) was owed by the SDAWA. This amount is included in trade receivables in note 5B.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

Revenue received from The Shop, Distributive and Allied Employees' Association of Western Australia includes the following:

Donations	1,201,272	1,180,525
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Expenses paid to the Shop, Distributive and Allied Employees' Association includes the following:

No One Deserves a Serve Campaign	54,884	31,890
Plastic Bag Ban Campaign	-	23,161
Change the Rules Campaign	-	105,435
Subscriptions and printing	1,024	698
Intranet	3,135	6,745
ACTU Congress Accommodation	-	3,262
ALP election donation	48,729	-
Workit Project Fees	14,515	9,270
Affiliation fees/International fund	797,485	740,065

Amounts owed by The Shop, Distributive and Allied Employees' Association of Western Australia include the following:

Donations	-	-
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Note 8B: Key Management Personnel Remuneration for the Reporting Period

Short-term employee benefits

Salary (including annual leave taken)	10,380	10,267
Annual leave accrued	-	-
Performance bonus	-	-
Total short-term employee benefits	10,380	10,267

Note 8B: Key Management Personnel Remuneration for the Reporting Period (continued)

	2019	2018
	\$	\$
Post-employment benefits:		
Superannuation	986	975
Total post-employment benefits	<u>986</u>	<u>975</u>
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	<u>-</u>	<u>-</u>
Termination benefits	-	-
Total	<u>11,366</u>	<u>11,242</u>

Note 9 Remuneration of Auditors

Value of the services provided		
Financial statement audit services	1,168	1,283
Accounting Assistance	130	130
Total remuneration of auditors	<u>1,298</u>	<u>1,413</u>

No other services were provided by the auditors of the financial statements.

Note 10 Financial Instruments

The reporting unit has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the reporting unit's exposure to each of the above risks, the reporting unit's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The Committee of Management has overall responsibility for the establishment and oversight of the reporting unit's risk management framework and for developing and monitoring risk management policies.

The reporting unit's risk Management policies are established to identify and analyse the risks faced by the reporting unit, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the reporting unit's activities. The reporting unit, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Committee of Management oversees how management monitors compliance with the reporting unit's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the reporting unit.

2019	2018
\$	\$

Note 10A: Categories of Financial Instruments

Financial Assets

Loans and receivables:

Cash and cash equivalents	275,253	277,465
Trade and other receivables	1,979	2,727
Total	277,232	280,192
<i>Carrying amount of financial assets</i>	277,232	280,192

Financial Liabilities

Other financial liabilities:

Trade and other payables	10,316	14,143
Total	10,316	14,143
<i>Carrying amount of financial liabilities</i>	10,316	14,143

Note 10B: Net Income and Expense from Financial Assets

Loans and receivables

Interest revenue	-	-
Net gain from loans and receivables	-	-
Net gain from financial assets	-	-

The net income from financial assets not at fair value from profit and loss is \$nil (2018: \$nil).

Note 10C: Credit Risk

Credit risk is the risk of financial loss to the reporting unit if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the reporting unit's receivables from the Shop Distributive and Allied Employees Association, of Western Australia.

Trade and Other Receivables

The reporting unit's trade and other receivables are due from the Shop Distributive and Allied Employees Association, of Western Australia and its credit exposure is directly related to the credit risk of the Shop Distributive and Allied Employees Association, of Western Australia. Historically all receivables due have been paid and therefore there is no indication of any impairment issues.

Cash and cash equivalents

The reporting unit mitigates credit risk by depositing funds with Australian financial institutions with appropriate credit ratings.

2019 2018
\$ \$

Note 10C: Credit Risk (continued)

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial and other assets

Trade and other receivables	1,979	2,727
Cash and cash equivalents	<u>275,253</u>	<u>277,465</u>
Total	<u>277,232</u>	<u>280,192</u>

In relation to the entity's gross credit risk, no collateral is held.

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past Due Nor Impaired 2019 \$	Past due or impaired 2019 \$	Not Past Due Nor Impaired 2018 \$	Past due or impaired 2018 \$
Trade receivables	1,979	-	2,727	-
Total	<u>1,979</u>	<u>-</u>	<u>2,727</u>	<u>-</u>

Ageing of financial assets that were past due but not impaired for 2019

	0 to 30 days	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Ageing of financial assets that were past due but not impaired for 2018

	0 to 30 days	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note 10D: Liquidity Risk

Liquidity risk is the risk that the reporting unit will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The reporting unit's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the reporting unit's reputation.

Note 10D: Liquidity Risk (continued)

Typically the reporting unit ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The reporting unit does not maintain any lines of credit.

Contractual maturities for financial liabilities 2019

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	10,316	-	-	-	10,316
Total	-	10,316	-	-	-	10,316

Contractual maturities for financial liabilities 2018

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	14,143	-	-	-	14,143
Total	-	14,143	-	-	-	14,143

Note 10E: Market Risk

Market risk is the risk that changes in market prices, such as interest rates will affect the reporting unit's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The entity adopts a policy of ensuring that its exposure to changes in interest rates is limited to the investing in high return deposits with no fixed term.

Sensitivity analysis of the risk that the entity is exposed to for 2019

	Risk variable	Change in risk variable %	Profit and loss \$	Equity \$
Interest rate risk	-	[+ 1%]	2,753	-
Interest rate risk	-	[- 1%]	(2,753)	-

	Risk variable	Change in risk variable %	Profit and loss \$	Equity \$
Interest rate risk	-	[+ 1%]	2,775	-
Interest rate risk	-	[- 1%]	(2,775)	-

Note 11 Fair Value Measurement

Note 11A: Financial Assets and Liabilities

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Note 12 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (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).

Shop, Distributive and Allied Employees' Association, Western Australian Branch

OFFICER DECLARATION STATEMENT

for the year ended 30 June 2019

I, Peter O'Keeffe, being the Branch Secretary of the Shop, Distributive and Allied Employees' Association, Western Australian Branch, declare that the following activities did not occur during the reporting period ending 30 June 2019.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- pay affiliation fees to other entity
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay leave and other entitlements to employees (other than holders of office)
- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have an annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a annual leave provision in respect of employees (other than holders of office)
- have a long service leave provision in respect of employees (other than holders of office)
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch

- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- receive cash flows from another reporting units and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:



Dated: 4th September 2019