



FAIR WORK  
AUSTRALIA

14 October 2010

Ms Barbara Nebart  
Branch Secretary/Treasurer  
Shop Distributive and Allied Employees Association  
Newcastle and Northern Branch

Email: [secretary@sdan.org.au](mailto:secretary@sdan.org.au)

Dear Ms Nebart

**Re: Financial report of the Shop Distributive and Allied Employees Association - Newcastle and Northern Branch - FR2010/2692**

Thank you for lodging the financial report of the Shop Distributive and Allied Employees Association - Newcastle and Northern Branch for the financial year ended 30 June 2010. The documents were lodged in this office on 1 October 2010.

The financial report has been filed.

I direct your attention to the following comments concerning the above report and the financial reporting obligations under Schedule 1 of the Workplace Relations Act 1996 [now Fair Work (Registered Organisations) Act 2009]. Please note that these matters are advised for assistance in the future preparation of financial reports; no further action is required in respect of the subject documents.

**1. Auditor's Report**

I note that the auditor states that he has audited the financial report comprising the balance sheet, statement of comprehensive income, statement of changes in equity and cash flow statement. As the auditor is required to take into account all the documents that comprise the general purpose financial report when preparing their report it would be advisable for the auditor to indicate that he has audited the "full financial report" rather than identifying the beforementioned documents.

**2. References to legislation**

In future years please ensure that all financial documents refer to the relevant provisions of the current legislation:

- Fair Work (Registered Organisations) Act 2009 (the RO Act)
- Fair Work (Registered Organisations) Regulations 2009 (the RO Regulations).

**3. Redundant document**

The financial report provides a "Committee of Management Declaration". The Committee of Management Statement appears to provide most of the information contained in the Committee of Management Declaration. A reporting unit is only required to lodge documents as prescribed by the RO Act and the RO Regulations and reporting guidelines that is a general purpose financial report (which includes a committee of management statement), an operating report, auditor's report and designated officer's certificate.

If you wish to discuss any matters further, I can be contacted on (03) 8661 7993 or by email at [larry.powell@fwa.gov.au](mailto:larry.powell@fwa.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell  
Tribunal Services and Organisations  
Fair Work Australia

# *Building on a Century of Service*



**Shop Distributive and Allied Employees'  
Association  
Newcastle and Northern Branch  
17 William Street, Hamilton NSW 2303**

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Website: [www.sdan.org.au](http://www.sdan.org.au)  
Email: [secretary@sdan.org.au](mailto:secretary@sdan.org.au)

29 September 2010

Fair Work Australia  
Iain Stewart  
Tribunal Services and Organisations  
Level 8, Terrace Tower  
80 William Street  
EAST SYDNEY NSW 2011

Dear Sir

Please find enclosed copies of the Reports, Accounts and Statements of the Shop Distributive and Allied Employees' Association, Newcastle and Northern Branch for the period ending 30 June 2010, together with a Designated Officer's Certificate stating that the above mentioned Reports, Accounts and Statements are copies of the documents that were presented to the meeting of Branch Council held on Monday 27 September 2010.

May we be advised of your receipt please.

Yours faithfully

Barbara Nebart  
BRANCH SECRETARY

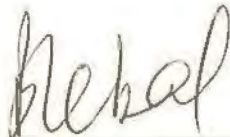
**Designated Officer's Certificate**

*s268 Fair Work (Registered Organisations) Act 2009*

I, **Barbara Nebart**, being the **Secretary/Treasurer** of the **Shop Distributive and Allied Employees' Association, Newcastle and Northern Branch** certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 13 September 2010; and
- that the full report was presented to a **Meeting of the Committee of Management** of the reporting unit on **27 September 2010**; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature: \_\_\_\_\_



Date: \_\_\_\_\_ 29 September 2010 \_\_\_\_\_

Annual report – Shop, Distributive and Allied Employees’  
Association, Newcastle and Northern Branch  
For the Year Ended 30 June 2010

**Contents**

Committee of Management Operating Report
Committee of Management Statement
Financial Report

Page

1
3
4

## Committee of Management Operating Report

### SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION NEWCASTLE AND NORTHERN BRANCH

#### 2010 OPERATING REPORT

Membership of the Newcastle and Northern Branch of the Association as at 30 June 2010 was 11,442.

There were no persons who were, at the end of the financial year to which the report relates, employees of the Branch.

The finances of the Branch are stable and there were no significant changes in the Branch's financial affairs during the year.

Persons eligible to do so under the rules of the Association were actively encouraged to join the Association. Persons join or resign through the Newcastle and Northern Branch of the Association in accordance with Branch Rules 25A and 25B.

The members of the Committee of Management of the Branch for the relevant period were:

Branch President	-	Reginald Coghlan
Branch Vice President	-	Allan Cartuthers
Branch Vice President	-	Margaret Harris
Branch Secretary-Treasurer	-	Barbara Nebart
Committee of Management	-	Sandra Owen
	-	Ross Simmons
	-	Colin Moon
	-	Toni May
	-	Lyn Wiebe
	-	Chantelle Fitzsimmons

The Branch maintained its industrial awards and agreements at a high, up-to-date standard.

New Enterprise Agreements were negotiated with a wide range of employers including Target/Target Country, Woolworths Supermarkets, Woolworths Petrol, Pretty Girl Fashion Group, Bunnings Warehouse, Priceline, Dominos Pizza, Symbion Health, Clifford Hallam 2, and others. These agreements all resulted in improved wages and working conditions for the employees that they covered.

Throughout the year the Branch has conducted periodic training courses for Delegates in respect of Occupational Health and Safety, Workers Compensation Return to Work, Delegates Training Levels 1, 2 and 3 and Agreement specific familiarisation and interpretation courses.

During the relevant period the Branch represented and/or assisted its members in industrial matters at the workplace.

The Association is affiliated to the Australian Council of Trade Unions.

## Committee of Management Operating Report

### SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION NEWCASTLE AND NORTHERN BRANCH

#### 2010 OPERATING REPORT CONTINUED

The Newcastle and Northern Branch maintained its rules and reported according to statutory requirements.

The Branch Secretary, Barbara Nebart, became an Alternate Employee Director of the Retail Employees Superannuation Trust (REST) on 27 August 2008.

During the financial year in question, the reporting unit did not engage in any recovery of wages activity which is required to be reported on under the Industrial Registrar's Financial Reporting Guidelines.

A quarterly magazine is produced and posted to members of the Branch and periodic information Bulletins are posted to delegates and workplaces.

The Branch produces a range of publications for its members including such matters as Occupational, Health and Safety, Workers Compensation, Equal Opportunity, Superannuation, Sexual Harassment, Young Workers, the Workchoices legislation, Womens and Family issues, Induction Packs and others.

Signed: \_\_\_\_\_



Barbara Nebart  
Designated Officer

Dated: \_\_\_\_\_

25.8.10.

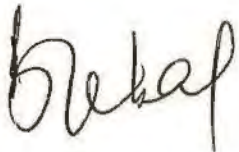
## Committee of Management Statement

On 23 August 2010 the Committee of Management of Shop, Distributive and Allied Employees' Association, Newcastle and Northern Branch ("reporting unit"), passed the following resolution in relation to the general purpose financial report of the reporting unit for the year ended 30 June 2010.

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the general purpose financial report 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 RAO Schedule and the RAO Regulations; and
  - (iv) the financial records of the reporting unit have been kept as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) the information sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia duly made under Section 272 of the RAO Schedule has been furnished to the member or the General Manager of Fair Work Australia; and
  - (vi) no orders have been made by Fair work Australia under section 273 of the RAO Schedule during this period.
- (f) In relation to recovery of wages activity:
  - (i) there has been no such activity undertaken by the reporting unit.

For the Committee of Management: Barbara Nebart  
Title of Office Held: Designated Officer

Signature   
Date: 25.8.10.



# Financial report – Shop, Distributive and Allied Employees’ Association, Newcastle and Northern Branch For the Year Ended 30 June 2010

## Contents

	Page
Financial Report –	
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Committee of Management Declaration	13
Independent Audit Report to the Members	14

This financial report covers Shop, Distributive and Allied Employees’ Association Newcastle and Northern Branch as an individual entity. The financial report is presented in the Australian currency.

Shop, Distributive and Allied Employees’ Association Newcastle and Northern Branch’s principal place of business is:

17 William Street, Hamilton NSW 2303

A description of the nature of the entity’s operations and its principal activities is included in the Committee of Management operating report on page I, which is not part of this financial report.

**Shop, Distributive and Allied Employee's Association, Newcastle and Northern Branch**  
**Statement of Comprehensive Income**  
For the Year Ended 30 June 2010

	Notes	2010 \$	2009 \$
<b>Revenue from continuing operations</b>	3	472,031	445,789
Affiliation and levy expenses		(288,183)	(286,938)
Conferences and travelling expenses		(18,586)	(21,890)
Management expenses	6	(47,200)	(44,659)
Member benefit expenses		-	(9,440)
Entertainment book		(73,748)	(75,353)
Bank charges		(60)	(60)
<b>Profit from continuing operations</b>		<u>44,254</u>	<u>7,449</u>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		44,254	7,449

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

**Shop, Distributive and Allied Employee's Association, Newcastle and Northern Branch**  
**Statement of Financial Position**  
As at 30 June 2010

	Notes	2010 \$	2009 \$
<b>Current assets</b>			
Cash assets		305,315	260,974
<b>Total assets</b>		<u>305,315</u>	<u>260,974</u>
<b>Current liabilities</b>			
Payables	4	8,960	8,873
<b>Total liabilities</b>		<u>8,960</u>	<u>8,873</u>
<b>Net assets</b>		<u>296,355</u>	<u>252,101</u>
<b>Equity</b>			
Retained profits		296,355	252,101
<b>Total equity</b>	5	<u>296,355</u>	<u>252,101</u>

*The above financial position should be read in conjunction with the accompanying notes.*

**Shop, Distributive and Allied Employee's Association, Newcastle and Northern Branch**  
**Statement of Changes in Equity**  
For the Year Ended 30 June 2010

	Notes	2010 \$	2009 \$
Balance as at 30 June 2009		252,101	244,652
Total comprehensive income for the year		<u>44,254</u>	<u>7,449</u>
Balance as at 30 June 2010	5	<u>296,355</u>	<u>252,101</u>

*The above statement of changes in Equity should be read in conjunction with the accompanying notes.*

Shop, Distributive and Allied Employee's Association, Newcastle and Northern Branch

**Statement of cash flows**

For the Year Ended 30 June 2010

	Notes	2010 \$	2009 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)	3	519,196	488,547
Payments to suppliers (inclusive of goods and services tax)		(474,890)	(482,064)
		<u>44,306</u>	<u>6,483</u>
Interest received	3	<u>4,303</u>	<u>1,656</u>
<b>Net cash inflow from operating activities</b>		<u>44,341</u>	<u>8,139</u>
<b>Net increase/(decrease) in cash held</b>		44,341	8,139
Cash at the beginning of the period		<u>260,974</u>	<u>252,835</u>
<b>Cash at the end of the period</b>		<u><u>305,315</u></u>	<u><u>260,974</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

**Shop, Distributive and Allied Employee's Association, Newcastle and Northern Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

<b>Note</b>	<b>Contents</b>	<b>Page</b>
Note 1	Summary of Significant Accounting Policies	10
Note 2	Financial Risk Management	11
Note 3	Revenue	12
Note 4	Current Liabilities – Payables	12
Note 5	Equity/ Retained Earnings	12
Note 6	Related Parties	12
Note 7	Division 7 – Members Access to Financial Records	12

**Shop, Distributive and Allied Employee's Association, Newcastle and Northern Branch**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2010**

**Note 1            Summary of Significant Accounting Policies**

**(a)    Basis of preparation**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and RAO requirements.

**Compliance with IFRSs**

Australian Accounting Standards include the Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRSs ensures that the financial statements and notes of the reporting unit comply with International Financial Reporting Standards (IFRSs).

**(b)    Revenue recognition**

Amounts disclosed as revenue are net of returns, allowances and duties and taxes paid. Revenue is recognised for the major business activity as follows:

*(i)    Membership revenue*

Membership revenue is recognised as and when it falls due.

*(ii)   Interest revenue*

Interest revenue is recognised as and when it is received.

**(c)    Payables**

This amount represents GST outstanding to the Australian Tax Office at 30 June 2010.

**(d)    Cash**

For purposes of the statement of cash flows, cash includes deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

**(e)    Income tax**

Shop, Distributive and Allied Employees' Association, Newcastle and Northern Branch is an exempt body for income tax purposes.

**(f)    Goods and services tax**

Revenues, expenses and assets are recognised net 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 the GST recoverable from, or payable to the ATO, is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis.

**Shop, Distributive and Allied Employee's Association, Newcastle and Northern Branch**  
**Notes to the Financial Statements**  
For the Year Ended 30 June 2010

**Note 2 Financial Risk Management**

The Branch's activities expose it to a variety of financial risks including market risk, credit risk and liquidity risk. Notes on the Branch's policies and procedures in respect of managing financial risk are set out in this note below.

**(a) Credit risk**

Credit risk arises from cash assets.

The Branch's holding of cash assets has only been held by the Commonwealth Bank, therefore the cash assets are deemed to have limited credit risk.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

**(b) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions.

The Branch monitors its cash flow on a weekly basis to ensure adequate funds are in place to meet expenditure requirements.

The Branch had no borrowing facilities at the reporting date.

Financial liabilities at 30 June 2010 and 30 June 2009 relate to GST payable.

Maturities of financial liabilities

The table below analyses the Branch's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Less than 6 months	Total contractual cash flow	Carrying amount assets / liabilities
		\$	\$	\$
30 June 2009	Payables (GST)	8,873	8,873	8,873
30 June 2010	Payables (GST)	8,960	8,960	8,960

**(c) Market risk**

*Cash flow and fair value interest rate risk*

The Branch does not have long-term borrowings. The Branch's interest rate risks arise from cash assets.

The impact of interest rate risk on cash has been considered and it is deemed not to be material. Payables are non-interest bearing.

**(d) Fair value estimation**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying amount of payables is assumed to approximate their fair value due to their short-term nature.



**Shop, Distributive and Allied Employee's Association, Newcastle and Northern Branch**  
**Notes to the Financial Statements**  
For the Year Ended 30 June 2010

**Note 3 Revenue**

	2010	2009
	\$	\$
<b>Revenue from continuing operations</b>		
Membership contributions	471,996	444,134
Interest received	35	1,655
	<u>472,031</u>	<u>445,789</u>

**Note 4 Current Liabilities – Payables**

	2010	2009
	\$	\$
Net GST payable	<u>8,960</u>	<u>8,873</u>

**Note 5 Equity/ Retained Earnings**

	2010	2009
	\$	\$
Total profits at the beginning of the financial year	252,101	244,652
Net profit for the period	44,254	7,449
Total profit at the end of the financial year	<u>296,355</u>	<u>252,101</u>

**Note 6 Related Parties**

The following transactions occurred with related parties:

Affiliation and levy expenses paid to Shop Distributive and Allied Employees' Association	288,183	286,938
Management expenses paid to Shop Assistants and Warehouse Employees' Federation of Australia, Newcastle and Northern New South Wales	47,200	44,413
There were no transactions with, or remuneration paid, to the members of the Committee of Management.		

**Note 7 Division 7 – Members Access to Financial Records**

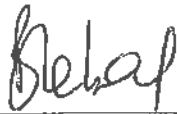
1. A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be in writing and must specify the 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.

## Committee of Management Declaration

In the Committees' opinion:

- (a) the financial statements and notes set out on pages 4 to 12 are in accordance with RAO regulations, including:
  - (i) complying with Accounting Standards, RAO regulations and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the entity's financial position as at 30 June 2010 and of its performance, as represented by the results of its operations and its cash flows, for the six months ended on that date; and
- (b) there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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



Barbara Nebart  
Designated Officer

Dated: 25-8-10.

PricewaterhouseCoopers  
ABN 52 780 433 757

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26 Honeysuckle Drive  
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NEWCASTLE NSW 2300  
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Australia  
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Facsimile +61 2 4925 1199

**Independent auditor's report to the members of  
Shop, Distributive and Allied Employees' Association,  
Newcastle and Northern Branch**

**Report on the financial report**

We have audited the accompanying financial report of Shop, Distributive and Allied Employees' Association, Newcastle and Northern Branch (the branch), which comprises the balance sheet as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

*Committee of Management's responsibility for the financial report*

The Committee of Management of the branch are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *RAO regulations*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the Committee Members also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

*Auditor's responsibility*

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

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

**Independent auditor's report to the members of  
Shop, Distributive and Allied Employees' Association, Newcastle and  
Northern Branch (continued)**

appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee Members, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by management. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Independence*

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

*Auditor's opinion*

In our opinion:

- (a) the general purpose financial report of Shop, Distributive and Allied Employees' Association, Newcastle and Northern Branch:
  - (i) presents fairly the branch's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
  - (ii) complies with the requirements imposed by Part 3 of the Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996, applicable Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

PRICEWATERHOUSECOOPERS  
PricewaterhouseCoopers

*D A Turner*

Darren Turner  
Partner  
Registered Auditor Number: 203372

Newcastle  
25 August 2010