



Australian Government

Australian Industrial Registry

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Mr Christopher Ketter
Branch Secretary
Queensland Branch
Shop, Distributive & Allied Employees Association
146 Leichhardt Street
SPRING HILL QLD 4000

Dear Mr Ketter,

**Queensland Branch of the Shop, Distributive and Allied Employees Association
Financial Reports for the Year Ended 30th June 2005 – FR2005/235
Schedule 1B of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial reports of the Queensland Branch of the Shop, Distributive and Allied Employees Association for the year ended 30th June 2005. The documents were lodged in the Industrial Registry on 23rd December 2005. Please excuse the delay in responding to you, our attention in recent months has been diverted to the new Workchoices legislation.

The documents have been filed.

I make the following comments to assist you in preparation of financial documents in the future. You do not need to take any further action in respect of the documents which have been lodged.

Operating Report – Significant Changes in Financial Affairs

While the Operating Report which has been provided complies with the requirements of section 254(2)(a) of the RAO Schedule (giving details of the Branch's principal activities), the requirements of paragraph (b) have not been met. That is, the Operating Report does not give details of any significant changes in the Branch's financial affairs during the year. If there have been no significant changes then a simple statement to that effect would suffice.

Operating Report – Detail of Right of Members to Resign

The Operating Report includes a statement that, pursuant to section 174 of the Workplace Relations Act 1996, members could resign from the Branch by written notice. However, subsection 254(2)(c) requires the operating report to "give details" of the right of members to resign from the reporting unit under s174 of the RAO Schedule. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 10 of the organisation's rules is applicable.

Operating Report - Superannuation Trustees

The Operating Report is required to state whether any officer or member of the Branch is a trustee of a superannuation entity (or a director of a company that is a trustee of a superannuation entity) – see section 254(2)(d) of the RAO Schedule.

In the event that no officer or member of the Branch is a trustee or director of a superannuation entity, the Operating Report should include a comment to this effect.

Please do not hesitate to contact me by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/006Nqld>.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R Pfeiffer', written in a cursive style.

Robert Pfeiffer
Statutory Services Branch

14 July 2006



Rec'd 29/12/05
K

Designated Officer's Certificate

s268 of Schedule 1B Workplace Relations Act 1996

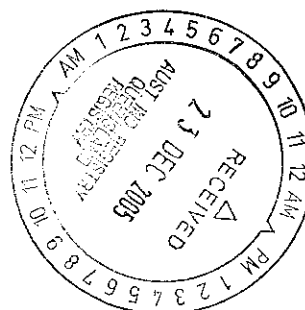
I, Christopher Ronald Ketter, being the Branch Secretary of the Shop Distributive & Allied Employees Association (Queensland Branch) certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 30 November 2005 and
- That the full report was presented to a meeting of the Committee of Management of the reporting unit on 13 December 2005 in accordance with Section 266 of the RAO Schedule.

Signature:

Date:

23/12/05



**Financial Report
Shop Distributive and Allied
Employees Association
(Queensland Branch)**

June 30, 2005



**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION (QUEENSLAND
BRANCH)**

JUNE 30, 2005

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Scope

We have audited the Financial Report of The Shop Distributive and Allied Employees Association (Queensland Branch) for the financial year ended 30 June 2005 being Certificate of Committee of Management, Certificate by State Secretary, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements. The Committee of Management is responsible for the preparation and presentation of the Financial Report and the information they contain. We have performed an audit of this Financial Report in order to express an opinion on them to the members of the Union.

Our audit has been planned and performed in accordance with Australian Auditing Standards, to provide a reasonable level of assurance as to whether the Financial Report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the Financial Report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the Financial Report is presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view of the Union which is consistent with our understanding of their operations.

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

Audit Opinion

In our opinion:-

1. Satisfactory accounting records have been kept, including:-
 - a) records of the sources and nature of income of the Union (including income from members);
and
 - b) records of the nature and purposes of the expenditure of the Union.
2. The accounts and statements prepared in accordance with Section 253 of the RAO Schedule of the Workplace Relations Act 1996, were properly drawn up:-
 - a) so as to give a true and fair view of:
 - i) the financial affairs of the Union at the end of that period; and
 - ii) the income and expenditure and surplus of the Union for that period; and
 - b) in accordance with Australian Accounting Standards and other mandatory professional reporting requirements.

3. We have received all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

BDO Kendalls
Chartered Accountants

BDO Kendalls
.....

P.A. Gallagher
.....

P.A. Gallagher
Partner

Brisbane: 16 November 2005.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
(QUEENSLAND BRANCH)**

OPERATING REPORT

Membership

Membership of the Branch as at 30 June 2005 was 34,963.

Persons eligible to do so under the rules of the Branch were actively encouraged to join the Branch. Pursuant to s174 of the Workplace Relations Act 1996, members could resign from the Branch by written notice.

Principal Activities

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 Coles-Myer, Woolworths, Bunnings, Just Jeans, Pretty Girl, Freedom Furniture, Super Cheap Auto, Wendy's, Action Supermarkets, Bunnings, Priceline, Drake Foodmarkets and others. These agreements all resulted in improved wages and working conditions for the employees covered by them.

The Branch produced a range of publications for members.

At 30 June 2005, there were 52 persons employed by the Branch.

Affiliations & Directorships

The Branch is affiliated with the Australian Labor Party ("ALP"). Delegates were credentialed to the State meetings of the ALP. The Branch President is a member of the ALP State Administrative Committee.

One representative of the Branch is a Director of the Enabling Queensland Group Industry Training Advisory Board.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
(QUEENSLAND BRANCH)**

OPERATING REPORT (continued)

State Council

The members of the State Council of the Branch at any time during or since the end of the financial year were:

<i>Name</i>	<i>State Council</i>
Senator J. Hogg Branch President	State Council member since 1980 Branch President since 1996
Ms. E. Beswick Branch Vice President	State Council member since 1998 Branch Vice President since 2002
Mr. K. Addison Branch Vice President	State Council member since 1972 Branch Vice President since 1995
Mr. C. Ketter Branch Secretary –Treasurer	State Council member since 1984 Branch Secretary –Treasurer since 1996.
Mr. D. Wagner First Assistant Secretary	State Council member since 1988 First Assistant Secretary since 1996
Ms. A. England	State Council member since 2002 Brisbane Area Representative
Mrs. P. Jarrett	State Council member since 1984 Brisbane Area Representative
Mrs. S. Pulungan	State Council member since 1998 Brisbane Area Representative
Mr. A. Hardy	State Council member since 1996 Brisbane Area Representative
Ms. J. Ney	State Council member since 2002 Representative from the Northern Districts
Mr. B. Plath	State Council member since 1984 Representative from the Northern Districts
Mrs. B. Bale	State Council member since 1988 Representative from the Southern & Western Districts Resigned as member in November 2004
Mrs. T Schmidt	State Council member since 2004 Representative from the Southern & Western Districts

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
(QUEENSLAND BRANCH)**

OPERATING REPORT (continued)

Ms. J. Arnold

State Council member since 2002
Brisbane Area Representative
Resigned as member in November 2004

Mrs. M Stojanovski

State Council member since 2004
Brisbane Area Representative

Mr. S. Cummings

State Council member since 1994
Representative from the Southern & Western
Districts

Ms. A. Usher

State Council member since 1984
Representative from the area covered by the Shop
Assistants and Storemen and Packers Award -
Central Division

The Association maintained its rules and reported according to statutory requirements.

Dated at Brisbane this 16th day of November 2005.



Chris Ketter
Branch Secretary - Treasurer

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

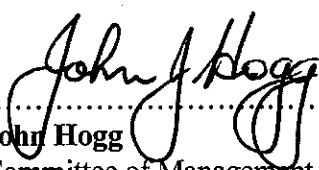
STATEMENT OF THE COMMITTEE OF MANAGEMENT

On 16 November 2005 the Committee of Management of Shop, Distributive and Allied Employees' Association (Qld Branch) passed the following resolution in relation to the general-purpose financial report (GPFR) of the Union for the financial year ended 30 June 2005.

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

- a) The financial statements and notes comply with the Australian Accounting Standards;
- b) The financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- 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 the reporting unit will be able to pay its debts as and when they become due and payable;
- e) During the financial year to which the GPFR relates and since the end of 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;
 - 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;
 - iii) The financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO regulations;
 - iv) Where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
 - v) The information sought in any request of a member of the reporting unit or a Registrar duly made under Section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - vi) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Signed on behalf of the Committee of Management:


.....
John Hogg
Committee of Management


.....
Chris Ketter
Committee of Management

Dated at Brisbane this 16th day of November 2005.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

STATEMENT OF FINANCIAL PERFORMANCE

For The Year Ended 30 June 2005

	Note	30.06.05 \$	30.06.04 \$
GENERAL FUND			
INCOME			
Revenue from ordinary activities	2	9,373,511	10,057,790
		-----	-----
		9,373,511	10,057,790
		-----	-----
EXPENDITURE			
Borrowing costs expense		42	27,622
Other expenses from ordinary activities	3	8,185,116	8,582,975
		-----	-----
		8,185,158	8,610,597
		-----	-----
Profit from ordinary activities before Income tax expense		1,188,353	1,447,193
		-----	-----
Income tax expense relating to Ordinary activities		-	-
		-----	-----
Total changes in equity other than those resulting from transactions with owners as owners	9	1,188,353	1,447,193
		=====	=====

The accompanying notes should be read in conjunction with these financial statements.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

STATEMENT OF FINANCIAL POSITION

As at 30 June 2005

	Note	30.06.05 \$	30.06.04 \$
CURRENT ASSETS			
Bank Deposits			
Cash on Hand	6(a)	300	300
Bank Account	6(a)	171,024	36,936
Investments (at cost)			
Cash Management Account		3,600,732	2,595,382
Other		-	-
Receivables			
Prepayments & Debtors		8,001	36,516
Membership Fees		518,220	625,325
Other Current Assets			
Stock on Hand		48,586	61,625
Deposits		-	224
		-----	-----
TOTAL CURRENT ASSETS		4,346,863	3,356,308
		-----	-----
NON-CURRENT ASSETS			
Plant & Equipment	5	810,302	830,502
Land & Buildings	5	15,160,000	11,530,049
Lease Incentives	5	-	-
		-----	-----
TOTAL NON-CURRENT ASSETS		15,970,302	12,360,551
		-----	-----
TOTAL ASSETS		20,317,165	15,716,859
		=====	=====

The accompanying notes should be read in conjunction with these financial statements.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

STATEMENT OF FINANCIAL POSITION

As at 30 June 2005

	Note	30.06.05 \$	30.06.04 \$
CURRENT LIABILITIES			
Bank Overdraft	6(a)	-	97,084
Accounts Payable		310,828	238,758
GST Payable		129,414	115,791
Interest Bearing Liabilities	7	-	50,000
Provision for Annual Leave		346,025	400,075
Provision for Sick Leave		-	139,918
		-----	-----
TOTAL CURRENT LIABILITIES		786,267	1,041,626
		-----	-----
NON-CURRENT LIABILITIES			
Provision for Long Service Leave		481,404	444,043
		-----	-----
TOTAL NON-CURRENT LIABILITIES		481,404	444,043
		-----	-----
TOTAL LIABILITIES		1,267,671	1,485,669
		-----	-----
NET ASSETS		19,049,494	14,231,190
		=====	=====
EQUITY			
Mortality Fund	8	443,536	475,386
General Fund	9	14,744,826	13,524,623
Asset Revaluation Reserve	10	3,861,132	231,181
		-----	-----
TOTAL EQUITY	11	19,049,494	14,231,190
		=====	=====
Contingent Liabilities	13		
Commitments	14		

The accompanying notes should be read in conjunction with these financial statements.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

STATEMENT OF CASH FLOWS

For the Year Ended 30 JUNE 2005

	Note	30.06.05 \$	30.06.04 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Received from members		8,757,264	9,086,843
Rental income		1,358,151	1,306,015
Interest received		169,282	60,647
Sundry Income		-	5,598
Payments to suppliers and employees		(8,816,300)	(8,794,331)
Interest paid		(42)	(27,622)
		-----	-----
Net Cash Provided By Operating Activities	6(b)	1,468,355	1,637,150
		-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of fixed assets		49,634	1,056,547
Payments for fixed assets		(231,467)	(268,916)
Redemption of / (payment for) investments		(1,005,350)	(1,700,000)
Payments for lease incentives		-	-
		-----	-----
Net Cash Used In Investing Activities		(1,187,183)	(912,369)
		-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES			
(Repayment of) / funding from borrowings		(50,000)	(600,000)
		-----	-----
NET CASH FROM / (USED IN) FINANCING ACTIVITIES		(50,000)	(600,000)
		-----	-----
Net Increase/(Decrease) in Cash Held		231,172	124,781
Cash at the Beginning of the Financial Period		(59,848)	(184,629)
		-----	-----
Cash at the End of the Financial Period	6(a)	171,324	(59,848)
		=====	=====

The accompanying notes should be read in conjunction with these financial statements

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

Shop Distributive and Allied Employees Association (Qld Branch) is a state employees union and is domiciled in Australia.

This general purpose financial report has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on the basis of historical costs and does not take into account changing money values, or except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets. Unless noted, the accounting policies adopted are consistent with those of the previous year.

The following is a summary of the material accounting policies adopted in the preparation of the financial report:

(a) Revenue

The principal sources of income are members fees and rent from investment properties. This income is recognised as it is earned. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(b) Property, Plant and Equipment

Plant and equipment are measured on the cost basis, less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by committee of management to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Land and Buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between willing parties in an arm's length transaction. It is the practice of the union to have an independent valuation every three years with annual appraisals being made by the Committee of Management. The revaluation of freehold land and buildings has not taken account of potential capital gains tax on assets acquired after the introduction of capital gains tax.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 1: STATEMENT OF ACCOUNTING POLICIES (continued)

(c) Depreciation

Depreciation is based on the prime cost and diminishing value methods of calculation. It is provided on all fixed assets except for investment properties, so as to write-off the cost of the assets over their estimated useful lives to the union.

The depreciation rates applied are:

Buildings Leichhardt Street	1.5% diminishing value
Motor Vehicles	22.5% diminishing value
Computer Equipment	20% - 40% diminishing value
Microfilm Equipment	20% diminishing value
Library	20% diminishing value
Furniture Fittings & Equipment	15% -33% diminishing value

A portion of Land & Buildings are Investment properties that are held by the union for generation of rental income and capital appreciation. They are not occupied by or for the operations of the union. The investment properties were revalued at 12 October 2005. Investment properties are not depreciated. Land & Buildings at Leichhardt Street are occupied by and are used for the operations of the union. Leichhardt Street was revalued at 12 October 2005 and the buildings are depreciated as specified above.

(d) Net Fair Value

The carrying amounts of cash, cash equivalents and non-interest bearing monetary financial assets and liabilities approximate net fair value.

(e) Cash

For the purposes of the statement of cash flows, cash includes cash on hand, at call deposits with banks or financial institutions, and money market assets maturing within less than two months and net of bank overdrafts.

(f) Lease Incentives and Amortisation

Lease incentive costs incurred, including landlord works, refurbishment, and lease free periods have been capitalised and amortised on a straight line basis over the terms of the leases.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 1: STATEMENT OF ACCOUNTING POLICIES (continued)

(g) Employee Benefits

Expenses are recognised when it is probable that consumption or loss of service potential has occurred and they are capable of being measured reliably.

Liabilities are only recognised where it is probable that settlement will be required and can be measured reliably.

Annual leave and other employee entitlements which are expected to be settled within twelve months are calculated using the nominal basis of measurement. This method uses current remuneration methods and does not discount cash flows to present values.

Long term liabilities including long service leave are measured as the present value of the estimated future cash flows expected to be made.

Present values are discounted using rates for Commonwealth Government guaranteed securities having terms to maturity that match, as closely as possible, the terms of the related liabilities. Future increases in remuneration rates are taken into account in estimating future cash outflows.

In accordance with the Standard, employee on-costs such as payroll tax that relate to employee entitlements have been included in the provision for employee entitlements.

(h) Taxation

The income of the union is exempt from income tax. All items in the Statement of Financial Performance are recorded net of the amount of Goods and Services Tax (GST). Receivables and payables in the Statement of Financial Position are stated inclusive of GST. For the purposes of the Statement of Cash Flows, receipts from customers and payments to suppliers include GST received and paid on a gross basis.

(i) Investments

All investments are included in the accounts at cost.

(j) Inventory

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first in, first out basis.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 1: STATEMENT OF ACCOUNTING POLICIES (continued)

(k) Asset Revaluation Reserve

Increments in the valuation of property plant & equipment are recognised in the asset revaluation reserve. Any decrements in the valuation of a class of property plant & equipment are recognised in the asset revaluation reserve up to the amount of previous valuation increments. Any excess decrement is recognised in the statement of financial performance.

(l) Comparative Figures

Where required by accounting standards, comparative information has been adjusted to conform with presentation changes of the current financial year.

(m) Adoption of Australian Equivalents to International Financial Reporting Standards

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The Union's Management, along with its auditors, are assessing the significance of these changes and are preparing for their implementation.

Management are of the opinion that the key differences in the union's accounting policies which will arise from the adoption of IFRS are:

First Time Adoption

All adjustments required from first time adoption will be directly transferred to/from retained earnings.

Impairment of Assets

The union presently assesses the amount of impairment of assets by determining the recoverable amount on the basis of undiscounted cash flows. Under Australian equivalents to IFRS, the union will be required to determine the recoverable amount as the higher of net selling price and value in use (which is determined using discounted cash flows). This change in policy and basis for calculation may lead to more impairment losses being recognised. When discounting is initially applied on transition at 1 July 2005, impairment losses may need to be recognised resulting in a negative impact on opening balances of retained earnings at that date. Management is of the opinion that there will be no material effect on the financial statement.

Disposal of Non-Current Assets

Previously the proceeds from disposal of non-current assets were considered to be revenue. Under the new standards, revenue now is the net profit or loss on the disposal of non-current assets. Management is of the opinion that there will be no material effect on the financial statement.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 2: REVENUE

	Note	30.06.05 \$	30.06.04 \$
(a) Income			
Membership fees		7,796,444	7,628,984
Interest		169,282	60,647
Rental income		1,358,151	1,300,838
Other revenue		-	10,775
Proceeds on disposal of Investments & Plant and Equipment	2(b)	49,634	1,056,546
		9,373,511	10,057,790
		9,373,511	10,057,790

(b) Significant Revenues

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

	30.06.05 \$	30.06.04 \$
Consideration on disposal of investment – Edmund Street	-	1,000,000
Consideration of disposal of motor vehicles	49,634	56,546
Carrying amount of investment sold - Edmund Street	-	(639,156)
Carrying amount of motor vehicles sold	(53,129)	(67,530)
	(3,495)	349,860
	(3,495)	349,860

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 3: EXPENSES

	30.06.05	30.06.04
	\$	\$
Profit from ordinary activities has been determined after:		
(a) Expenses:		
Administration	569,457	508,445
Affiliation fees	1,028,255	837,526
Amortisation – Leasehold Incentives	-	248,560
Audit Fees	34,000	20,000
Commission	742,033	734,163
Consulting/Training	382,879	322,383
Depreciation	198,538	288,279
Federal expenses	162,272	129,822
Fringe benefits tax	64,469	41,773
Insurance	131,520	116,628
Legal Fees	156,633	171,741
Organising Expenses	244,505	218,083
Other	741,226	642,110
Payroll Tax	119,344	106,537
Postage	220,850	194,473
Printing	336,421	281,341
Salaries		
- Officials	276,215	270,011
- Staff	1,891,611	1,981,656
Scholarship Bursaries	195,705	167,100
Shop Steward Expenses	372,012	229,163
Superannuation	232,192	240,166
Mortality Benefits paid	31,850	29,800
Written down value on disposal of Investments, Plant & Equipment	53,129	803,215
	8,185,116	8,582,975
	8,185,116	8,582,975

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 4: In accordance with the requirements of subsection 272(5) of the Schedule 1B of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272, which states as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation 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 audit.
- (3) A organisation must comply with an application made under subsection (1)

NOTE 5: PROPERTY PLANT & EQUIPMENT

	30.06.05	30.06.04
	\$	\$
Land and Buildings		
Land & Buildings - at independent value 2005	15,160,000	-
Land & Buildings - at independent value 2003	-	11,662,281
Less: Accumulated depreciation	-	(132,232)
	15,160,000	11,530,049
	15,160,000	11,530,049

The Freehold Land and Buildings was independently valued at 12 October, 2005 by Mr D Mohr, Registered Valuer of CB Richard Ellis.

Plant and Equipment		
Motor vehicles – at cost	1,152,492	1,106,331
Less: Accumulated depreciation	(542,338)	(490,968)
	610,154	615,363
	610,154	615,363

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

	30.06.05	30.06.04
	\$	\$
NOTE 5: PROPERTY PLANT & EQUIPMENT (Con't)		
Air conditioner – at cost	12,780	92,844
Less: Accumulated depreciation	(2,512)	(81,274)
	-----	-----
	10,268	11,570
	-----	-----
Computer equipment – at cost	260,250	239,228
Less: Accumulated depreciation	(201,237)	(171,387)
	-----	-----
	59,013	67,841
	-----	-----
Microfilm – at cost	78,272	78,272
Less: Accumulated depreciation	(78,272)	(78,272)
	-----	-----
	-	-
	-----	-----
Library – at cost	196,657	196,657
Less: Accumulated depreciation	(196,657)	(196,657)
	-----	-----
	-	-
	-----	-----
Library Subs – at cost	221,360	221,360
Less: Accumulated depreciation	(221,360)	(221,360)
	-----	-----
	-	-
	-----	-----
Furniture, fittings and equipment – at cost	582,927	582,064
Less: Accumulated depreciation	(511,273)	(499,245)
	-----	-----
	71,654	82,819
	-----	-----
Office equipment – at cost	267,556	246,214
Less: Accumulated depreciation	(208,343)	(193,305)
	-----	-----
	59,213	52,909
	-----	-----
Total Plant & Equipment	810,302	830,502
	-----	-----

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 5: PROPERTY PLANT & EQUIPMENT (Con't)

Lease Incentives

Lease Incentive – at cost	984,240	984,240
Less: Accumulated amortisation	(984,240)	(984,240)
	-----	-----
	-	-
	-----	-----
	15,970,302	12,360,551

Movements in property plant & equipment during the financial year were as follows:

	Land & Buildings	Plant & Equipment	Total
Opening Balance	11,530,049	830,502	12,360,551
Additions	-	231,467	231,467
Disposals	-	(53,130)	(53,130)
Depreciation	-	(198,537)	(198,537)
Revaluation Increments	3,629,951	-	3,629,951
Closing Balance	15,160,000	810,302	15,970,302

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 6: NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and "at call" deposits with financial institutions. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:-

	30.06.05	30.06.04
	\$	\$
Cash on hand	300	300
Bank accounts	171,024	36,936
Cash at bank (overdraft)	-	(97,084)
	-----	-----
	<u>171,324</u>	<u>(59,848)</u>

(b) Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus

Operating surplus / (deficit)	1,188,353	1,447,193
Non-Cash Flows in Operating Surplus		
Depreciation	198,538	288,279
Amortisation	-	248,559
Loss/(gain) on sale of fixed assets	3,495	(349,860)
Asset Written Off	-	96,528
Changes in Assets and Liabilities		
(Increase)/decrease in receivables	107,105	(145,810)
Decrease in prepayment	27,915	69,050
Increase/(decrease) in payables	85,693	82,843
(Decrease)/Increase in provisions	(156,007)	(54,364)
Decrease/(increase) in stock on hand	13,263	(45,268)
	-----	-----
Net Cash Provided by Operating Activities	<u>1,468,355</u>	<u>1,637,150</u>

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 7: INTEREST BEARING LIABILITIES

	30.06.05	30.06.04
	\$	\$
Bank Loan – Current	-	50,000
Bank Loan – Non Current	-	-
	-----	-----
	-	50,000
	-----	-----

NOTE 8: MORTALITY FUND

	30.06.05	30.06.04
	\$	\$
MORTALITY FUND		
Opening Balance	475,386	505,186
Transfer to General Fund	(31,850)	(29,800)
	-----	-----
TOTAL: MORTALITY FUNDS	443,536	475,386
	=====	=====

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 9: GENERAL FUND

	30.06.05	30.06.04
	\$	\$
GENERAL FUND		
Opening Balance	13,524,623	12,047,630
Transfer from Mortality Fund	31,850	29,800
(Loss)/Profit	1,188,353	1,447,193
	-----	-----
TOTAL: GENERAL FUNDS	14,744,826	13,524,623
	-----	-----

NOTE 10: RESERVES

	30.06.05	30.06.04
	\$	\$
ASSET REVALUATION RESERVE		
Opening Balance	231,181	231,181
Revaluation Increments	3,629,951	-
	-----	-----
TOTAL: ASSET REVALUATION RESERVE	3,861,132	231,181
	-----	-----

NOTE 11: EQUITY

	30.06.05	30.06.04
	\$	\$
TOTAL FUNDS		
Mortality Fund	443,536	475,386
General Fund	14,744,826	13,524,623
Asset Revaluation Reserve	3,861,132	231,181
	-----	-----
TOTAL: Total Funds	19,049,494	14,231,190
	=====	=====

**NOTE 12: NUMBER OF EMPLOYEES
AT BALANCE DATE**

	52	46
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NOTE 13: CONTINGENT LIABILITIES

The union has a contingent liability of \$90,000 over its credit stand-by arrangements for autopay (2004: \$90,000).

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 14: COMMITMENTS

Lease Commitments Receivable

The union has commitments receivable related to tenancy agreements in its rental properties:

	30.06.05	30.06.04
	\$	\$
Less than one year	1,049,856	845,958
Greater than one year		
but less than two years	596,609	507,552
Greater than two years		
But less than five years	407,084	530,113
Greater than five years	6,863	-
	2,060,412	1,883,623

Lease Incentives Commitments Payable

The union has commitments payable related to tenancy agreements in its rental properties.

	30.06.05	30.06.04
	\$	\$
Less than one year	56,118	113,443
Greater than one year		
but less than two years	-	72,943
Greater than two years		
But less than five years	-	79,120
Greater than five years	-	-
	56,118	265,506

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
(QUEENSLAND BRANCH)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2005

NOTE 15: FINANCIAL INSTRUMENTS

Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

Cash bears variable interest rates. All other significant financial assets and financial liabilities are non-interest bearing.

Credit Risk

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

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

Net Fair Values

For the financial instruments their net fair value approximates their carrying value.

NOTE 16: SEGMENT REPORTING

The Union operates in one geographical location, being Queensland, Australia and in one industry, being providing benefits to its members, who are retail (including fast food) employees within the State of Queensland.

NOTE 17: ORGANISATION DETAILS

The principal place of business of the organisation is:

Shop, Distributive and Allied Employees Association
(Queensland Branch)
146 Leichhardt Street
SPRING HILL Q 4000