



Australian Government
Australian Industrial Registry

17 March 2009

Mr Peter Malinauskas
Secretary
Shop, Distributive and Allied Employees Association, South Australian Branch
email: secretary@sdasa.asn.au

Dear Mr Malinauskas

Re: Financial Report for the Shop, Distributive and Allied Employees Association, South Australian Branch for year ended 30 June 2008 – FR2008/316

I acknowledge receipt of the financial report for the Shop, Distributive and Allied Employees Association, South Australian Branch for the year ended 30 June 2008. The report was lodged with the Registry on 5 March 2009.

The financial report has now been filed.

I make the following comments in relation to the full report to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Committee of Management Statement

Consistency with other reporting units

Paragraph 25 of the Industrial Registrar's Reporting guidelines, as made under section 255 of Schedule 1 states:

"The committee of management statement must include declarations by the committee of management as to whether in the opinion of the committee of management

. . .

- (e) (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;"*

The Committee of Management's Statement has repeated the wording as provided in paragraph 25(e)(iv). Such statement should indicate whether or not the financial records have been kept in a consistent manner to each of the other reporting units of the organisation.

I suggest, if the records have been kept in a consistent manner to each of the organisation's reporting units, that the words "where the organisation consists of 2 or more reporting units" be deleted.

Recovery of wages activity

I remind you that the applicable Reporting Guidelines require the Committee of Management Statement to include information in relation to recovery of wages activity. If there has been no recovery of wages activity you may wish to consider words such as:

"in relation to the recovery of wages activity:

- (i) there has been no such activity undertaken by the reporting unit."*

Notes to the Financial Statements

Related Party Transactions

I note the reference to a termination payment, the method of calculation and the legal advice being sought by the Branch.

Schedule 1

Reference to Schedule 1B of the Act, should properly refer to Schedule 1.

Presentation of the full report to a general meeting of members

If the full report is to be presented to a general meeting of members, the meeting is to be held within 6 months after the end of the financial year and copies of the report must be provided to members 21 days before that meeting (subsection 265(5)(a)).

I note in this instance the report was provided to members on 28 January 2009 and presented to a general meeting of members on 3 March 2009.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to be 'K Donnellan', with a long horizontal line extending to the right.

Kevin Donnellan

Statutory Services Branch

Principal Registry

Email: kevin.donnellan@airc.gov.au

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
PRESCRIBED OFFICER'S CERTIFICATE**

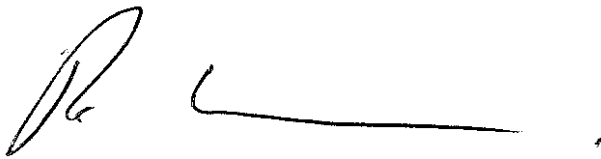
I, Peter Bryden Malinauskas of 1/69 Fullarton Road, Kent Town, South Australia certify that:

I am secretary of the Shop, Distributive and Allied Employees Association South Australian Branch.

The documents annexed hereto are the same documents presented to a General Meeting of the Branch held on 3rd March 2009 and contain:

- (a) Independent Auditors report.
- (b) Committee of Management statement.
- (c) Operating report.
- (d) Statement of financial performance for the year ended 30 June 2008.
- (e) Statement of financial position as at 30 June 2008.
- (f) Statement of cash flows for the year ended 30 June 2008.
- (g) Notes to the financial statements for the year ended 30 June 2008.

Copies of the association's audited financial accounts were posted on our website and members notified by mail on 28 January 2009.

A handwritten signature in black ink, appearing to read 'P. Malinauskas', followed by a long horizontal line.

Peter Bryden Malinauskas
Dated at Adelaide this 4th day of March 2009

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE
SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH**

(Registered under the Workplace Relations Act 1996)

Report on the Financial Report

I have audited the accompanying financial report of the Shop Distributive & Allied Employees Association South Australian Branch (the association) which comprises the Balance Sheet as at 30 June 2008 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and statements by the Committee of Management and the Operating Report by the Secretary.

The financial report has been prepared for distribution to the members of the Association for the purpose of fulfilling the requirements of subsections 265(1) and 265(5) of the Registration and Accountability of Organisations Schedule ("RAO") (Schedule 1B of the Workplace Relations Act 1996) in relation to the financial report and the independent auditors report.

Committee of Management's Responsibility for the Financial Report

The Committee of Management of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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.

GEOFF SNOWBALL
Chartered Accountant

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26 The Parade West
Kent Town SA 5067
Facsimile*

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Mobile

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ABN 51 433 751 193

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical announcements.

Auditor's Opinion

In my opinion

1. all information and explanations that, under Section 257 of the RAO Schedule, officers or employees of the Association were required to provide were provided;
2. the general purpose financial report of the Shop Distributive & Allied Employees Association South Australian Branch is presented fairly in accordance with the applicable Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996; and
3. there were kept by the Association, in relation to the year, satisfactory accounting records including records of the sources and nature of the income of the organisation (including income from members) and records of the nature and purposes of the expenditure of the organisation

NAME OF FIRM:

GW SNOWBALL

A handwritten signature in dark ink, appearing to read 'G. Snowball', is written over a horizontal dotted line.

NAME OF PARTNER :

GEOFFREY WALTER SNOWBALL

Member of the Institute of Chartered Accountants
in Australia and holder of a current Public Practice
Certificate

DATE:

16 OCTOBER 2008

ADDRESS :

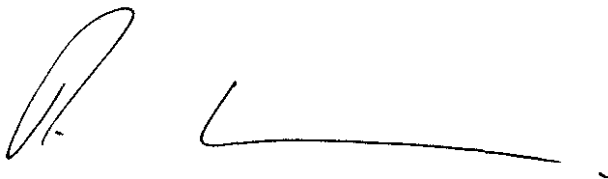
8/26 THE PARADE WEST KENT TOWN SA 5067

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
COMMITTEE OF MANAGEMENT STATEMENT**

On 15 October 2008 the Committee of Management of the Shop Distributive & Allied Employees' Association SA Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2008:

- (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; 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 organization 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 organization 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) where the organization 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 organization; and
 - (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 the financial records made by the Commission under section 273 of the RAO Schedule.

Signed on behalf of the Committee of Management:

A handwritten signature in black ink, consisting of a stylized 'P' followed by a long horizontal line.

Peter Bryden Malinauskas
Dated at Adelaide this 16th day of October 2008

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
OPERATING REPORT**

Principal Activities

The union's principal activity during the year has been provision of industrial services to our members.

There have been no significant changes in the nature of this activity during the year.

Significant changes in the reporting unit's financial affairs during the year

There have been no significant changes in the union's financial affairs during the year.

The right of members to resign from the reporting unit under s174

Members have the right to resign as detailed in Rule 5 (Resignation, Clearances and Cessation of Membership) of the SA Branch Rules.

Any officer or member who is a trustee of a superannuation entity or an exempt public sector superannuation scheme or a director of a company that is a trustee of such an entity or scheme and where a criterion for the officer or member holding such a position is being an officer or member of a registered organization.

Donald Edward Farrell

Any other information considered relevant

No other relevant information.

The number of members at the end of the financial year recorded in the register of members and taken to be members of the reporting unit;

21,428

The number of employees of the reporting unit at the end of the financial year measured on a full-time equivalent basis

4 employees

The name of each person who has been a member of the committee of management at any time during the financial year and the period for which he or she held the position.

Full year

Maree Appelkamp, Lisa Bettison, Donald Farrell (Secretary), Melanie Holmes, Peter Malinauskas (Assistant Secretary), Roger Nicholls, Anne Revell, Lyn Rivers (President), Sonia Romeo.

Part year

None



Peter Bryden Malinauskas

Dated at Adelaide this 16th day of October 2008

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Revenue	2	1,069,303	1,032,061
Profit on sale of Land & Buildings		125,000	0
Employee benefits expense	8,11	(318,726)	(269,708)
Depreciation and amortisation expenses		(14,500)	(13,060)
Finance costs	3	0	0
Other expenses		<u>(789,127)</u>	<u>(757,389)</u>
Profit from operations		<u><u>71,950</u></u>	<u><u>(8,096)</u></u>

The accompanying notes form part of these financial statements

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
BALANCE SHEET AS AT 30 JUNE 2008

	Note	2008 \$	2007 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	330,314	95,394
TOTAL CURRENT ASSETS		<u>330,314</u>	<u>95,394</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	58,686	378,186
TOTAL NON-CURRENT ASSETS		<u>58,686</u>	<u>378,186</u>
TOTAL ASSETS		<u>389,000</u>	<u>473,580</u>
CURRENT LIABILITIES			
Trade and other payables	7	78,782	17,199
Provisions	8	4,048	18,572
Loans		0	73,231
TOTAL CURRENT LIABILITIES		<u>82,830</u>	<u>109,002</u>
NON-CURRENT LIABILITIES			
Provisions	8	6,395	11,753
TOTAL NON-CURRENT LIABILITIES		<u>6,395</u>	<u>11,753</u>
TOTAL LIABILITIES		<u>89,225</u>	<u>120,755</u>
NET ASSETS		<u>299,775</u>	<u>352,825</u>
EQUITY			
Reserves	9	0	125,000
Retained profits		299,775	227,825
TOTAL EQUITY		<u>299,775</u>	<u>352,825</u>

The accompanying notes form part of these financial statements

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
FEDERAL ACCOUNTS
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Affiliation fees		445,791	437,915
Interest income		6,057	1,257
Members subscriptions		612,278	563,792
Other income		5,177	11,187
Rent received		0	17,910
Payments to suppliers & employees		(1,139,383)	(951,541)
Net Cash Flows Provided by operating activities	11	<u>(70,079)</u>	<u>80,520</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale		305,000	4,546
Purchase of property, plant and equipment		0	(48,492)
Net cash provided (used) by Investing Activities	11	<u>305,000</u>	<u>(43,946)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		0	0
Repayment of borrowings		0	0
Net cash provided by (used in) financing activities		<u>0</u>	<u>0</u>
Net increase in cash held		234,920	36,574
Cash at beginning of year		<u>95,394</u>	<u>58,820</u>
Cash at end of year	5	<u><u>330,314</u></u>	<u><u>95,394</u></u>

The accompanying notes form part of these financial statements

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES UNION SA BRANCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

Note 1: Statement of Significant Accounting Policies

This financial report covers the Shop Distributive and Allied Employees' Association South Australian Branch as an individual entity, Shop Distributive and Allied Employees' Association South Australian Branch is an association incorporated in South Australia under the Workplace Relations Act 1996.

Basis of Preparation

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

Australian Accounting Standards set out accounting policies the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets and financial liabilities.

a) Income Tax

The Union is exempt from Income Tax under division 50, section 50-15 of the Income Tax Assessment Act 1997.

b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Union and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, is depreciated on a declining value basis over their useful lives, commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	25%
Office Equipment	20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

c) Impairment of Assets

At each reporting date, the Union reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

d) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

f) Revenue and Other Income

Revenue from membership subscriptions are recognised as revenue at the later of receipt and the commencement of the accounting year to which they relate.

Affiliation fees, interest revenue and other income are recognised as they are received.

All revenue is stated net of the amount of Goods and Services Tax (GST).

g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. 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 in the balance sheet are shown exclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

h) Comparative Figures

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

i) Capital Management

The Committee of Management controls the capital of the entity to ensure adequate cash flows are generated to fund its services and returns from investments are maximised. The Committee ensures the overall risk management strategy is in line with this objective.

Risk management policies are approved and reviewed by the committee on a regular basis. These include credit risk policies and future cash flow requirements

The entity's capital consists of financial liabilities, supported by financial assets.

The Committee of Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since prior year. The strategy of the entity is to ensure sufficient cash is on hand to meet trade and sundry payables.

Critical Accounting Estimates and Judgements

The committee members evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union.

The financial report was authorised for issue on 15 October 2008.

	2008 \$	2007 \$
Note 2: Revenue		
Operating activities		
--- Membership subscriptions	612,278	563,791
--- Affiliation fees	445,791	437,915
--- Interest income	6,057	1,256
--- Rent received	0	17,910
--- Other income	5,177	11,187
	<u>1,069,303</u>	<u>1,032,061</u>

Note 3: Profit

a. **Expenses**

Finance Costs:

--- External

Total finance costs

Gains/(Losses) on sale of assets

--- Disposal of motor vehicles

--- Disposal of office equipment

Total gains/(losses) on sale of assets

-	-
-	-
0	(2,908)
-	-
0	(2,908)

b. **Significant revenue and expenses**

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

Termination payment paid to former secretary
Cost of motor vehicle provided to former employee

59,701	0
9,091	0

Note 4: Auditors' Remuneration

Remuneration of the auditor of the Union for:

--- auditing or reviewing the financial report	5,900	5,500
--- taxation services		
--- due diligence services		
--- taxation services provided by related practice of auditor		

2008	2007
\$	\$

Note 5: Cash and Cash Equivalents

Cash in hand	8,417	400
Cash at bank	306,539	56,111
Short-term bank deposits	15,357	38,882
	<u>330,314</u>	<u>95,393</u>

2008	2007
\$	\$

Note 6: Property, Plant and Equipment

Land & Buildings – at valuation	0	305,000
Office Equipment – at cost	25,230	25,230
Accumulated depreciation	(16,967)	(15,067)
	<u>8,263</u>	<u>10,163</u>
Motor Vehicles – at cost	74,132	74,132
Accumulated depreciation	(23,710)	(11,110)
	<u>50,422</u>	<u>63,022</u>
Total Property, Plant and Equipment	<u>58,685</u>	<u>378,185</u>

Movements in carrying amounts

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

	Land & Buildings \$	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at the beginning of year (1 July 2007)	305,000	10,163	63,022	378,185
Additions	-	-	-	-
Disposals	(305,000)	-	-	(305,000)
Depreciation expenses	-	(1,900)	(12,600)	(14,500)
Carrying amount at the end of year (30 June 2008)	<u>0</u>	<u>8,263</u>	<u>50,422</u>	<u>58,685</u>

Movements in carrying amounts

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

	Land & Buildings \$	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at the beginning of year (1 July 2006)	305,000	9,765	36,543	351,308
Additions	-	2,368	46,124	48,492
Disposals	-	-	(4,545)	(4,545)
Depreciation expenses	-	(1,970)	(15,100)	(17,070)
Carrying amount at the end of year (30 June 2007)	305,000	10,163	63,022	378,185

2008
\$

2007
\$

Note 7: Trade and Other Payables

Trade payables	78,782	22,421
GST payable	0	-5,222
	<u>78,782</u>	<u>17,199</u>

Note 8: Provisions

	Annual Leave \$	Long Service Leave \$	Total \$
Opening balance at 1 July 2007	18,573	11,752	30,325
Additional provisions raised during the year	18,371	1,862	20,233
Amounts used	32,895	7,220	40,115
Balance at 30 June 2008	<u>4,048</u>	<u>6,395</u>	<u>10,443</u>

2008
\$

2007
\$

Analysis of Total Provisions

Current	4,048	18,573
Non-current	6,395	11,752
	<u>10,443</u>	<u>30,325</u>

Provision Employee Benefits

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.

Note 9: Reserves

Asset Revaluation Reserve

The asset revaluation reserve records revaluation increments on revaluation of the investment property.

Note 10: Related Party Transactions

The 2007/2008 Committee of Management comprised:

Full year

Marce Appalkamp, Lisa Bettison, Donald Edward Farrell (Secretary), Melanie Holmes, Peter Malinauskas (Assistant Secretary), Roger Nicholls, Anne Revell, Lyn Rivers (President), Sonia Romeo

No committee member holding office received remuneration for holding office.

In May 2008, the executive approved a termination payment for Don Farrell.

The payment was proposed by Don Farrell based on payments generally made to previous departing secretaries. The formula suggested by Don Farrell was one month's pay for each year of service. The payment was in addition to his normal pay and leave entitlements.

The total amount was \$59,701.04

Legal advice is currently being sought whether a payment of this nature is appropriate for a non-profit organisation.

All other transactions entered into by the Union with the Office Bearers and Councillors were those undertaken on the same terms and conditions as available to members.

	2008 \$	2007 \$
Note 11: Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit from Operations		
Profit/(Loss)	71,950	(8,096)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
--- Depreciation	14,500	14,160
--- Net gain on disposal of property, plant and equipment	180,000	2,909
Changes in assets and liabilities		
--- Increase/(decrease) in trade and other payables	56,360	(2,708)
--- Increase/(decrease) in loans	(73,230)	73,230
--- Increase/(decrease) in employee benefits	(19,881)	1,024
--- Increase/(decrease) in GST payable	5,222	-
--- (Increase)/decrease in property, plant and equipment	-	(43,946)
	<u>234,921</u>	<u>36,573</u>

Note 12: Financial Risk Management

The association's activities expose it to a number of financial risks. The committee of management is responsible for monitoring and managing the financial risks of the association. They monitor these risks through monthly committee meetings where monthly management accounts are presented and analysed. The association does not enter into derivative financial instruments and does not speculate in any type of financial instrument.

Liquidity Risk

Liquidity risk is the risk the association will not be able to meet its obligations as they fall due.

The association has significant funds available in unrestricted bank accounts which can be drawn upon to pay creditors as they fall due. The Finance Officer monitors the association's available cash balances to ensure sufficient funds are available to pay creditors within the standard 30 day terms. Given the association's liquidity position, this risk is minimal.

Credit Risk

Credit risk is the risk of financial loss if a customer fails to meet its contractual obligations.

The association has exposure to credit risk through its receivable to the extent there is unpaid interest at balance sheet date.

The majority of receivables are from state and federal government bodies. As a result credit risk at year end is minimal.

Interest Rate Risk Exposure

Interest rate risk is the risk changes in interest rate will affect the association's income or the value of its obligations, and arises on floating rate debt.

The association's only financial asset subject to floating rate interest risk is cash at bank. The association does not have any floating rate debt. All other receivables and liabilities are non-interest bearing. It is unlikely a fluctuation or movement in interest rate will have a material impact on the association. Interest rate risk is minimal.

Note 13: Additional information required under Registrar's reporting guidelines:

Expense items	2008 \$	2007 \$
Expenses incurred as consideration for employers making payroll deductions of membership subscriptions	61,248	62,643
Grants or donations	-	-
Employee benefits to holders of office	109,698	26,641
Employee benefits to employees (other than office holders)	209,028	243,067
Fees or allowances to persons in respect of their attendance as representatives at conferences or other meetings	7,896	10,316
Legal costs and other expenses related to litigation or other legal matters	4,368	454

Note 14: Union Details

The registered office and principal place of business of the Union is:

Shop, Distributive & Allied Employees Union South Australian Branch
1/69 Fullarton Road
KENT TOWN SA 5067

Note 15: Segment Reporting

The Association operates in South Australia, Northern Territory and New South Wales (Broken Hill only) and in one industry, being trade union activities for the benefit of its members.

Note 16: Information to be provided to members or the Registrar

In accordance with the requirements of subsection 272(5) of the RAO Schedule, 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 a reporting unit, or a registrar, 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).