



FAIR WORK
AUSTRALIA

22 March 2010

Mr. P. Malinauskas
Secretary
Shop, Distributive and Allied Employees Association
South Australia Branch

email: secrtary@sdasa.asn.au

Dear Mr Malinauskas

Financial report of the Shop, Distributive and Allied Employees Association - South Australia Branch for the financial year ended 30 June 2009 (FR2009/10058)

Thank you for forwarding further information in relation to the financial report of the South Australia Branch of the Shop, Distributive and Allied Employees Association for the year ended 30 June 2009: this has been placed with the documents previously lodged.

The financial report has now been filed.

Yours sincerely

Larry Powell
Tribunal Services and Organisations



17 March 2010

Larry Powell
Tribunal Services and Organisations
Fair Work Australia
GPO Box 1994
Melbourne Vic 3001

Dear Larry

Financial report of the Shop Distributive and Allied Employees Association – South Australia Branch for financial year ended 30 June 2009 (FR2009/10058)

The following information is submitted in response to your letter dated 6 November 2009.

(a) Affiliations

Each year the South Australian Branch of the Association pays an affiliation fee to the National Association. In the financial year ended 30 June 2009 the South Australian Branch received an amount of \$511,620 from the state-registered South Australian Branch of the Association for affiliation fees to be paid to the National Office of the Association.

(b) Other Expenses (Material items)

		2009	2008
		\$	\$
Affiliation fees	1	591,440	520,157
Committee of management	2	25,754	2,285
Donations - political		20,959	303
Grant repaid	3	23,627	0
Legal - general	4	91,390	3,963
Members benefits	5	20,482	26,857
Rent paid		33,200	31,545
Salaries		238,108	252,104
Superannuation		31,595	46,424
Travel - fares & accommodation		46,245	37,645

Notes

1. Affiliation fee payments were as follows:

SDA National Office - SA state registered members	\$511,620
SDA National Office – non SA state registered members (ie Northern Territory and Broken Hill members)	\$72,360
ALP NT Branch	\$7,459
Total	\$591,439

2. Quarterly payments/tea money \$6,470.00, national conference travel \$19,284.40. Reason for increase: Committee travel was previously charged to general travel account.

3. Repayment of unexpended funds upon finalisation of WELL grant.

4. For many years, the association had been pursuing amalgamation with the Broken Hill Town Employees' Union. Negotiations broke down in November 2005.

Disputes arose with the Town Employees' Union (calculation of shared expenses) and the Barrier Industrial Council (payment of affiliation fees and office rent).

The parties reached a settlement where the SDA paid \$17,000 to the Town Employees' Union/Barrier Industrial Council plus \$30,000 for their legal fees. SDA paid \$43,000 for its own legal fees.

The matter is now finalised.

5. Members movie nights and family day at Crocodilus Park.

Yours faithfully



Peter Malinauskas
Secretary



FAIR WORK
AUSTRALIA

6 November 2009

Mr P. Malinauskas
Secretary
Shop, Distributive and Allied Employees Association
South Australia Branch

email: secretary@sdasa.asn.au

Dear Mr. Malinauskas,

**Financial report of the Shop, Distributive and Allied Employees Association
– South Australia Branch for financial year ended 30 June 2009 (FR2009/10058)**

Thank you for lodging the financial report of the South Australian Branch of the Shop, Distributive and Allied Employees Association for the year ended 30 June 2009. The documents were lodged in this office on 22 October 2009.

I direct your attention to the following comments concerning the above report and the financial reporting obligations under the Fair Work (Registered Organisations) Act 2009 “the Act”. Please note that these matters are generally advised for assistance in the preparation of future financial reports. With the exception of the comments concerning items 2, 3 and 4, no further action is required in respect of the subject documents.

1. Required documents in the GPFR

A GPFR consists of a number of financial statements (subsection 253(2) of the Act), including any other statements required by the Australian Accounting standards. I note that AASB 101 requires that a Statement of Changes in Equity be produced. No such statement appears to have been lodged.

Future financial reports should include this statement.

2. Loans, Grants and Donations

Section 237(1) of the Act requires an organisation to lodge in the Industrial Registry within 90 days after the end of each financial year a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

Inspection of Note 13 of the notes to the financial report indicates a disclosure "Grants or donations" of \$26,080.

If appropriate, would you please arrange lodgement in Fair Work Australia of a section 237(1) statement covering any donation or grant exceeding \$1,000, setting out particulars of any donation in accordance with subsection 237(6).

3. Required disclosures: affiliations

The Statement of Cash Flows and Note 2 of the notes to the financial report contain a disclosure “Affiliation fees” of \$511,620. If this disclosure relates to a related party an appropriate disclosure in accordance with AASB 124(17) should be made.

4. Income Statement

I note the disclosure "Other expenses" appears to represent a substantial portion of the total expenditure. Although the accounts provide for a breakdown of some expenditure there appears to be a large portion not disclosed.

Various parts of the AASB Framework require separate disclosure when an item is material. There would seem little doubt that the aforementioned item is material.

I believe the reporting unit, unless there is another reason, should break this figure down in a way that complies with the requirements of the AASB Framework

Information providing a further breakdown of this disclosure is required to be prepared and lodged in this office.

5. Operating Report

(a) Results of principal activities

I refer to the Operating Report, in particular to the "results of operation". I note that section 254(2)(a) of the Act requires the operating report to include a review of the principal activities of the reporting entity, the results of those activities and any significant changes in the nature of those activities.

The "results of operation" requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entities financial result, particularly as measured in dollar 'surplus' or 'loss' terms. Although this may not be stated explicitly in the text of the subsection, I think it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborated elsewhere in the financial documents, such as the Balance Sheet and/or the Profit and Loss statement.

(b) Membership of Committee of Management

The Operating Report is required to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position - refer regulation 159(c) of the *Fair Work (Registered Organisations) Regulations 2009*.

The Operating Report should have provided the positions which members of the committee of management held during the reporting period.

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7993 or by email at larry.powell@fwa.gov.au.

Yours sincerely



Larry Powell
Tribunal Services and Organisations
Fair Work Australia



22 October 2009

Industrial Registrar
Australian Industrial Registry
Riverside Centre
North Terrace
Adelaide SA 5000

Dear Sir

Financial Returns

The attached financial returns are submitted as required by the Workplace Relations Act 1996.

Yours faithfully

Peter Malinauskas.

Peter Malinauskas
Secretary

You can count on us!

Peter Malinauskas
SDA Secretary

Shop Distributive and Allied Employees' Association SA & NT Branch

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378 Argent Street
Broken Hill NSW 2880
TEL 08 8088 3792



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

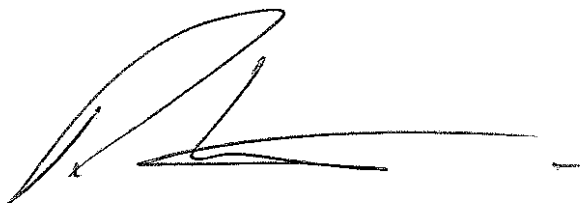
I, Peter Bryden Malinauskas of 1/69 Fullarton Road, Kent Town, South Australia certify that:

I am the 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 15 October 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 2009.
- (e) Statement of financial position as at 30 June 2009.
- (f) Statement of cash flows for the year ended 30 June 2009.
- (g) Notes to the financial statements for the year ended 30 June 2009.

The association's audited financial accounts were included on our internet website (www.sda.com.au). Members were notified by mail on 22 September 2009.

A handwritten signature in black ink, appearing to read 'Peter Bryden Malinauskas', with a long horizontal flourish extending to the right.

Peter Bryden Malinauskas
Dated at Adelaide this 16 October 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 2009 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

*Unit 8
26 The Parade West
Kent Town SA 5067
Facsimile*

(08) 8363 0622

Telephone

(08) 8362 9247

Mobile

0408 082 051

Email

gws@senef.com.au

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



.....

NAME OF PARTNER:

GEOFFREY WALTER SNOWBALL

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

DATE:

17 SEPTEMBER 2009

ADDRESS:

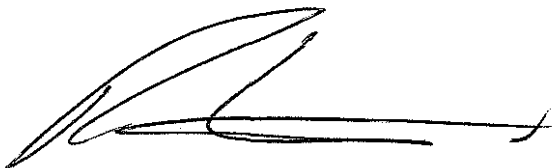
8/26 THE PARADE WEST KENT TOWN SA 5067

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

On 16 September 2009 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 2009:

- (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
 - (ii) 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 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.
- (f) in relation to the recovery of wages activity:
 - (i) there has been no such activity undertaken by the reporting unit.

Signed on behalf of the Committee of Management:



Peter Bryden Malinauskas
Dated at Adelaide this 16th day of September 2009

**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.

None

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;

22,785

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, Peter Malinauskas, Roger Nicholls, Anne Revell, Lyn Rivers, Sonia Romeo.

Part year

1 July to 30 September 2008 - Lisa Bettison, Melanie Holmes

1 July to 25 September 2008 - Don Farrell

30 September 2008 to 30 June 2009 - Lyn Barr, John Buckland, Sarah McMillan, Robert O'Reilly



Peter Bryden Malinauskas

Dated at Adelaide this 16th day of September 2009

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
FEDERAL ACCOUNTS
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
Revenue	2	1,148,681	1,069,303
Profit on sale of Land & Buildings		0	125,000
Employee benefits expense	8,11	(288,787)	(318,726)
Depreciation and amortisation expenses		(11,620)	(14,500)
Finance costs	3	0	0
Other expenses		(978,765)	(789,127)
Profit from operations		<u>(130,491)</u>	<u>71,950</u>

The accompanying notes form part of these financial statements

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
FEDERAL ACCOUNTS
BALANCE SHEET AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	5	148,356	330,314
TOTAL CURRENT ASSETS		<u>148,356</u>	<u>330,314</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	58,217	58,686
TOTAL NON-CURRENT ASSETS		<u>58,217</u>	<u>58,686</u>
TOTAL ASSETS		<u>206,573</u>	<u>389,000</u>
CURRENT LIABILITIES			
Payables	7	22,312	78,782
Provisions	8	6,764	4,048
TOTAL CURRENT LIABILITIES		<u>29,076</u>	<u>82,830</u>
NON-CURRENT LIABILITIES			
Provisions	8	8,214	6,395
TOTAL NON-CURRENT LIABILITIES		<u>8,214</u>	<u>6,395</u>
TOTAL LIABILITIES		<u>37,290</u>	<u>89,226</u>
NET ASSETS		<u>169,283</u>	<u>299,774</u>
EQUITY			
Retained profits		169,283	299,774
TOTAL EQUITY		<u>169,283</u>	<u>299,774</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 2009**

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Affiliation fees		511,620	445,791
Interest income		5,159	6,057
Members subscriptions		624,726	612,278
Other income		7,177	5,177
Payments to suppliers & employees		(1,314,415)	(1,139,383)
Net Cash Flows Provided by operating activities	11	<u>(165,734)</u>	<u>(70,080)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale		9,545	305,000
Purchase of property, plant and equipment		(25,770)	0
Net cash provided (used) by Investing Activities	11	<u>(16,224)</u>	<u>305,000</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		(181,959)	234,921
Cash at beginning of year		<u>330,314</u>	<u>95,394</u>
Cash at end of year	5	<u><u>148,356</u></u>	<u><u>330,314</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 2009

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 16 September 2009.

	2009 \$	2008 \$
Note 2: Revenue		
Operating activities		
--- Membership subscriptions	624,726	612,278
--- Affiliation fees	511,620	445,791
--- Interest income	5,159	6,057
--- Other income	7,176	5,177
	1,148,681	1,069,303

Note 3: Profit

a. **Expenses**

Finance Costs:

--- External

- -

Total finance costs

- -

Gains/(Losses) on sale of assets

--- Disposal of motor vehicles

-5,073 0

--- Disposal of office equipment

- -

Total gains/(losses) on sale of assets

-5,073 0

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	0	59,701
Cost of motor vehicle provided to former employee	0	9,091
	0	9,091

Note 4: Auditors' Remuneration

Remuneration of the auditor of the Union for:

--- auditing or reviewing the financial report	6,500	5,900
--- other services	950	0
--- due diligence services		
--- total	7,450	5,900

2009	2008
\$	\$

Note 5: Cash and Cash Equivalents

Cash in hand	400	8,417
Cash at bank	147,956	306,539
Short-term bank deposits	0	15,357
	<u>148,356</u>	<u>330,314</u>

2009	2008
\$	\$

Note 6: Property, Plant and Equipment

Office Equipment – at cost	25,230	25,230
Accumulated depreciation	(18,437)	(16,967)
	<u>6,793</u>	<u>8,263</u>
Motor Vehicles – at cost	71,894	74,132
Accumulated depreciation	(20,470)	(23,710)
	<u>51,424</u>	<u>50,422</u>
Total Property, Plant and Equipment	<u>58,217</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 current financial year

	Office Equipment	Motor Vehicles	Total
	\$	\$	\$
Balance at the beginning of year (1 July 2008)	8,263	50,422	58,685
Additions	-	25,770	25,770
Disposals	-	(14,619)	(14,619)
Depreciation expenses	(1,470)	(10,150)	(11,620)
Carrying amount at the end of year (30 June 2009)	<u>6,793</u>	<u>51,423</u>	<u>58,216</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 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)	0	8,263	50,422	58,685

2009
\$

2008
\$

Note 7: Trade and Other Payables

Trade payables	34,756	78,782
GST payable	(12,444)	0
	22,312	78,782

Note 8: Provisions

	Annual Leave	Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2008	4,048	6,395	10,443
Additional provisions raised during the year	15,175	-626	14,549
Amounts used	17,890	1,193	19,083
Balance at 30 June 2009	6,763	8,214	14,977

2009
\$

2008
\$

Analysis of Total Provisions

Current	6,763	4,048
Non-current	8,214	6,395
	14,977	10,443

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 2008/2009 Committee of Management comprised:

Full year

Maree Appelkamp, Peter Malinauskas (Assistant Secretary from 1 to 4 July 2008, Acting Secretary from 5 July to 25 September 2008, Secretary from 26 September 2008), Roger Nicholls, Anne Revell, Lyn Rivers (President), Sonia Romeo (Acting Assistant Secretary from 5 July to 25 September 2008, Assistant Secretary from 26 September 2008 to 30 June 2009).

Part year

(a) 1 July to 30 September 2008

Lisa Bettison, Melanie Holmes

(b) 1 July to 25 September 2008

Don Farrell (Secretary from 1 July to 25 September 2008)

(c) 30 September 2008 to 30 June 2009

Lyn Barr, John Buckland, Sarah McMillan, Robert O'Reilly

No committee member holding office received remuneration for holding office.

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.

	2009	2008
	\$	\$
Note 11: Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit from Operations		
Profit/(Loss)	(130,491)	71,950
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
--- Depreciation	11,620	14,500
--- Net gain on disposal of property, plant and equipment	0	180,000
Changes in assets and liabilities		
--- Increase/(decrease) in loans	0	(73,230)
--- Increase/(decrease) in employee benefits	4,534	(19,881)
--- Increase/(decrease) in trade and other payables	(44,026)	56,360
--- Increase/(decrease) in GST payable	(12,444)	5,222
--- (Increase)/decrease in property, plant and equipment	(11,152)	0
	<u>(181,959)</u>	<u>234,921</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:

	2009	2008
Expense items	\$	\$
Expenses incurred as consideration for employers making payroll deductions of membership subscriptions	68,584	61,248
Grants or donations	26,080	-
Employee benefits to holders of office	-	109,698
Employee benefits to employees (other than office holders)	54,727	209,028
Fees or allowances to persons in respect of their attendance as representatives at conferences or other meetings	5,229	7,896
Legal costs and other expenses related to litigation or other legal matters	91,389	4,368

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).