



FAIR WORK
AUSTRALIA

15 November 2010

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

Email: secretary@sdasa.asn.au

Dear Mr. Malinauskas

Financial report of the Shop, Distributive and Allied Employees Association - South Australian Branch for the year ended 30 June 2010 (FR2010/2686)

Thank you for lodging the financial report of the South Australian Branch of Shop, Distributive and Allied Employees Association for the year ended 30 June 2010. The documents were lodged in this office on 13 October 2010.

The financial report has been filed.

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

1. Entity

Note 1 of the Notes to the Financial Statements states

“...The financial report covers the Shop, Distributive and Allied Employees’ Association South Australian Branch as an Individual entity. The Shop, Distributive and Allied Employees’ Association South Australian Branch is an association incorporated in South Australia under the Fair Work (Registered Organisations) Act 2009.”

It should be noted that although a branch of a registered organisation can be a reporting unit under the RO Act (section 242) it does not have a discrete legal personality; it is a creation of the rules of the organisation only.

2. References

I note the financial report contains a number of references to the RAO Schedule and also Schedule 1B. As mentioned above the RAO Schedule/Schedule 1B is now the Fair Work (Registered Organisations) Act 2009. Also, the reference to the “RAO Regulations” in the Committee of Management Statement should refer to the Fair Work (Registered Organisations) Regulations 2009 (the RO Regulations).

I also note references to the “Industrial Registrar” and “Registrar”. These references should be to the General Manager, Fair Work Australia.

Future financial reports should reflect these changes.

3. Notice to members

I note that the notice to members has not fully set out the provisions of subsections 272(1), (2) and (3) of the RO Act. A notice to members should fully set out those provisions.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@fwa.gov.au.

Yours sincerely,

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

Larry Powell
Tribunal Services and Organisations

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

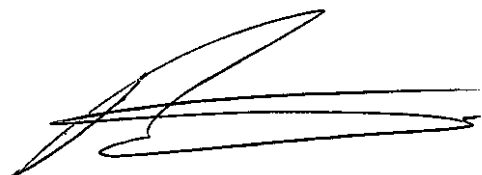
I, Peter Bryden Malinauskas of 1/69 Fullarton Road, Kent Town, South Australia certify that:

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 6 October 2010 and contain:

- (a) Independent Auditors report.
- (b) Committee of Management statement.
- (c) Operating report.
- (d) Income statement for the year ended 30 June 2010.
- (e) Balance sheet as at 30 June 2010.
- (f) Statement of changes in equity for the year ended 30 June 2010.
- (g) Statement of cash flows for the year ended 30 June 2010.
- (h) Notes to the financial statements for the year ended 30 June 2010.

The association's audited financial accounts were mailed to all members on 10 September 2010.

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

Peter Bryden Malinauskas
Dated at Adelaide this 7 October 2010

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

(Registered under the Fair Work (Registered Organisations) Act 2009)

Report on the Financial Report

I have audited the accompanying general purpose financial report of the Shop Distributive & Allied Employees Association South Australian Branch (the association) which comprises the Balance Sheet as at 30 June 2010, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes 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 Fair Work (Registered Organisations) Act 2009) 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 requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with my understanding of the Association's financial position and performance as represented by the results of its operations and its cash flows. 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 to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

GEOFF SNOWBALL
Chartered Accountant

*Unit 8
26 The Parade West
Kent Town SA 5067
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(08) 8362 9247
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0408 082 051
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gws@senet.com.au
ABN 51 433 751 193*



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.

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

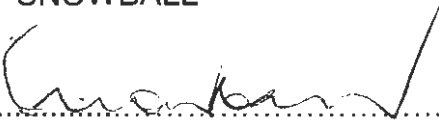
In my opinion

1. all information and explanations that, under Section 257(5) 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 the Fair Work (registered Organisations) Act 2009

and other mandatory professional reporting requirements in Australia, 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: 20 AUGUST 2010

ADDRESS: 8/26 THE PARADE WEST KENT TOWN SA
5067

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

On 18 August 2010 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 2010:

- (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) 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 18th day of August 2010

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.

Recruitment was a priority and we saw a 13.4% membership increase over the course of the year.

Significant activities were staff development, enterprise bargaining, legal services, delegate recruitment and OHS training.

Much emphasis has been put on communication with members. New developments included the updated sda.com.au website and an SMS notification system. We continued publication of our quarterly journal and encouraged member participation with family days, movie screenings, educational scholarships and competitions.

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;

24,983

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 (Vice President), Lyn Bar (Committee Member), John Buckland (Trustee), Peter Malinauskas (Secretary/Treasurer), Sarah McMillan (Trustee), Roger Nicholls (Trustee), Robert O'Reilly (Committee Member), Anne Revell (Vice President), Lyn Rivers (President), Sonia Romeo (Assistant Secretary).

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name.

Peter Bryden Malinauskas

Dated at Adelaide this 18th day of August 2010

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
FEDERAL ACCOUNTS
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Revenue	2	1,150,689	1,148,681
Profit on disposal of land & buildings		0	125,000
Profit on sale of motor vehicle		92	0
Affiliation fees	9	(585,472)	(591,440)
Depreciation and amortisation expenses		(9,290)	(11,620)
Entertainment		(25,252)	(24,203)
Employee benefits expense (office holders)	8	(47,234)	(111,982)
Employee benefits expense (other)	8	(236,100)	(259,362)
Print post & stationery		(10,989)	(5,905)
Rent paid		(34,273)	(33,200)
Travel - fares & accommodation		(24,795)	(46,245)
Other expenses		(66,489)	(320,215)
Profit from operations		<u>110,887</u>	<u>(130,491)</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 2010

	Note	2010 \$	2009 \$
CURRENT ASSETS			
Cash and cash equivalents	5	296,367	148,356
TOTAL CURRENT ASSETS		<u>296,367</u>	<u>148,356</u>
NON-CURRENT ASSETS			
Property, plant & equipment	6	36,019	58,217
TOTAL NON-CURRENT ASSETS		<u>36,019</u>	<u>58,217</u>
TOTAL ASSETS		<u>332,387</u>	<u>206,573</u>
CURRENT LIABILITIES			
Payables	7	24,957	22,312
Provisions	8	9,651	6,764
TOTAL CURRENT LIABILITIES		<u>34,608</u>	<u>29,076</u>
NON-CURRENT LIABILITIES			
Provisions	8	17,609	8,214
TOTAL NON-CURRENT LIABILITIES		<u>17,609</u>	<u>8,214</u>
TOTAL LIABILITIES		<u>52,217</u>	<u>37,290</u>
NET ASSETS		<u>280,170</u>	<u>169,283</u>
EQUITY			
Retained profits		280,170	169,283
TOTAL EQUITY		<u>280,170</u>	<u>169,283</u>

The accompanying notes form part of these financial statements

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION SA BRANCH
FEDERAL ACCOUNTS
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2010

	Reserves	Accumulated Surplus/ Deficit	Total
	\$	\$	\$
As at 1 July 2009	0	169,282	169,282
Comprehensive result for the period	-	110,887	110,887
As at 30 June 2010	<u>0</u>	<u>280,169</u>	<u>280,169</u>

	Reserves	Accumulated Surplus/ Deficit	Total
	\$	\$	\$
As at 1 July 2008	0	299,773	299,773
Comprehensive result for the period	-	-130,491	-130,491
As at 30 June 2009	<u>0</u>	<u>169,282</u>	<u>169,282</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 2010

	Note	2010 \$	2009 \$
CASH FOWS FROM OPERATING ACTIVITIES			
Affiliation fees		505,044	511,620
Interest income		2,786	5,159
Members subscriptions		641,489	624,726
Other income		1,370	7,177
Payments to suppliers & employees		(1,015,677)	(1,314,415)
Net Cash Flows Provided by operating activities	10	<u>135,012</u>	<u>(165,734)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale		13,000	9,545
Purchase of property, plant and equipment		0	(25,770)
Net cash provided (used) by Investing Activities	10	<u>13,000</u>	<u>(16,225)</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		148,012	(181,959)
Cash at beginning of year		<u>148,356</u>	<u>330,314</u>
Cash at end of year	5	<u><u>296,367</u></u>	<u><u>148,356</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 2010

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. The Shop Distributive and Allied Employees' Association South Australian Branch is an association incorporated in South Australia under the Fair Work (Registered Organisations) Act 2009.

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 Fair Work (Registered Organisations) Act 2009.

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 re-valued 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 is 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 18 August 2010.

	2010 \$	2009 \$
Note 2: Revenue		
Operating activities		
--- Membership subscriptions	641,489	624,726
--- Affiliation fees	505,044	511,620
--- Interest income	2,785	5,159
--- Other income	1,369	7,176
Total	1,150,689	1,148,681

Note 3: Profit

a Expenses

Finance costs		
---External	-	-
Total finance costs	-	-
Gains/(Losses) on sale of assets		
---Disposal of motor vehicles	92	(5,073)
---Disposal of office equipment	-	-
Total gains/(losses) on sale of assets	92	(5,073)

Note 4: Auditors' Remuneration

Remuneration of the auditor of the Union for:

--- auditing or reviewing the financial report	5,000	6,500
--- other services	0	950
Total	5,000	7,450

	2010 \$	2009 \$
Note 5: Cash and Cash Equivalents		
Cash in hand	400	400
Cash at bank	295,967	147,956
Total	296,367	148,356

2010	2009
\$	\$

Note 6: Property, Plant and Equipment

Office Equipment – at cost	25,230	25,230
Accumulated depreciation	(19,627)	(18,437)
	<u>5,603</u>	<u>6,793</u>
Motor Vehicles – at cost	49,355	71,894
Accumulated depreciation	(18,940)	(20,470)
	<u>30,415</u>	<u>51,424</u>
Total Property, Plant and Equipment	<u>36,019</u>	<u>58,217</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 2009)	6,793	51,423	58,216
Additions	-	-	-
Disposals	-	(13,000)	(13,000)
Depreciation expenses	(1,190)	(8,100)	(9,290)
Carrying amount at the end of year (30 June 2010)	<u>5,603</u>	<u>30,323</u>	<u>35,926</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

	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)	6,793	51,423	58,216

2010
\$ **2009**
\$

Note 7: Trade and Other Payables

Trade payables	16,086	34,756
GST payable	8,870	(12,444)
	<u>24,956</u>	<u>22,312</u>

Note 8: Provisions

	Annual Leave \$	Long Service Leave \$	Total \$
Balance at 1 July 2009	6,763	8,214	14,977
Additional provisions raised during the year	16,444	9,395	25,839
Amounts used	(13,556)	0	(13,556)
Balance at 30 June 2010	<u>9,651</u>	<u>17,609</u>	<u>27,260</u>

2010
\$ **2009**
\$

Analysis of Total Provisions

Current	9,651	6,763
Non-current	17,609	8,214
	<u>27,260</u>	<u>14,977</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: Affiliation fees

Each year the South Australian Branch of the Association pays an affiliation fee to the National Association. In the financial year ended 30 June 2010 the South Australian Branch received an amount of \$505,044 from the state-registered South Australian Branch of the Association for affiliation fees to be paid to the National Office of the Association.

Affiliation fee payments were as follows:

SDA National Office – SA state registered members	\$505,044
SDA National Office – non SA state registered members (ie Northern Territory & Broken Hill members)	\$73,830
ALP NT Branch	\$6,596
Total	\$585,470

Note 10: Related Party Transactions

The 2009/2010 Committee of Management comprised:

Full year

Maree Appelkamp (Vice President), Lyn Bar (Committee Member), John Buckland (Trustee), Peter Malinauskas (Secretary/Treasurer), Sarah McMillan (Trustee), Roger Nicholls (Trustee), Robert O'Reilly (Committee Member), Anne Revell (Vice President), Lyn Rivers (President), Sonia Romeo (Assistant Secretary).

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.

	2010 \$	2009 \$
Note 11: Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit from Operations		
Profit/(Loss)	110,794	(130,491)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
--- Depreciation	9,290	11,620
Changes in assets and liabilities		
--- Increase/(decrease) in employee benefits	12,282	4,534
--- Increase/(decrease) in trade and other payables	(18,669)	(44,026)
--- Increase/(decrease) in GST payable	21,314	(12,444)
--- (Increase)/decrease in property, plant and equipment	13,000	(11,152)
Net increase in cash held	148,011	(181,958)

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:

	2010	2009
Expense items	\$	\$
Expenses incurred as consideration for employers making payroll deductions of membership subscriptions	64,281	68,584
Grants or donations	300	26,080
Fees or allowances to persons in respect of their attendance as representatives at conferences or other meetings	2,502	5,229
Legal costs and other expenses related to litigation or other legal matters	3,342	91,389

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).