



FAIR WORK  
COMMISSION

14 February 2013

Mr Peter Malinauskas  
Secretary, South Australian Branch  
Shop, Distributive & Allied Employees Association  
PO Box 54  
KENT TOWN SA 5071

Dear Mr Malinauskas

**Re: Lodgement of Financial Accounts and Statements – Shop, Distributive and Allied Employees Association, South Australian Branch – for year ending 30 June 2012 (FR2012/378)**

I refer to the above financial statements and accounts lodged with Fair Work Australia (now known as the Fair Work Commission ('the Commission')) on 19 December 2012.

The documents have been filed.

Yours sincerely,

Stephen Kellett  
Senior Adviser, Regulatory Compliance Branch

**Designated Officer's Certificate**  
Section 268 Fair Work (Registered Organisations) Act 2009



I, Peter Bryden Malinauskas, being Branch Secretary of the Shop Distributive & Allied Employers Association South Australia Branch certify:

- the documents lodged herewith are copies of the full report referred to in section 268 of the Fair Work (Registered Organisations) Act 2009; and
- the full report was provided to members on the 14th day of September 2012; and
- the full report was presented to a general meeting of members of the reporting unit on the 12th day of December 2012 in accordance with Section 266 of the Fair Work (Registered Organisations) Act 2009.

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Peter Bryden Malinauskas  
Branch Secretary/Treasurer  
Date: 12th day of December 2012

**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 2012, the income statement, balance sheet, statement of changes in equity and cash flow statement for the year ended on that date, a statement 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 Sections 253 and 254 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*

*PO Box 2068  
Kent Town SA 5071  
Telephone  
(08) 8362 9247  
Facsimile  
(08) 8363 0622  
Mobile  
0408 082 051  
Email  
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**

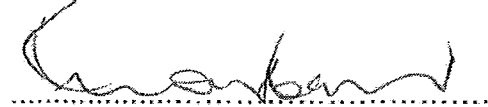
In my opinion

1. all information and explanations that, under Section 252 of the Fair Work (Registered Organisations) Act 2009, 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 Section 257(5) of 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:**

17 AUGUST 2012

**ADDRESS:**

8/26 THE PARADE WEST KENT TOWN SA  
5067

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

On 16 August 2012 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 2012:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager, Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009 (the RO 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 the General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager; and
- (vi) there has been compliance with any order for inspection of the financial records made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (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 August 2012

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

### **Principal Activities**

The Union's core business of providing high-quality industrial services to members remains a high priority.

New Enterprise Agreements incorporating wage rises and better conditions have been successfully negotiated for approximately 8000 members in the 12 months to June 30, 2012.

Stores with new Agreements include: Woolworths, David Jones, Officeworks, Big W Monarto, Bunnings Small Format Stores, Adelaide Convention Centre, Noni B, Bras N Things, Lovisa, Romeo's, Coles Express and Coles Distribution Centre EP.

Our emphasis on recruitment has resulted in a 3.89% increase in membership in the previous year.

The Union led the fight to create two new part-day Public Holidays for South Australians. The hard-fought campaign was overwhelmingly backed by the SA public and received the support of many trade unions. The new Public Holidays legislation passed the Upper House on Thursday March 29, 2012. South Australians now enjoy the benefit of part-Public Holidays between 7pm and Midnight on Christmas Eve and New Year's Eve.

### **Affiliations & Directorships**

The Shop Distributive & Allied Employees Association South Australia Branch is affiliated with the Australian Labor Party (ALP).

The Branch Secretary is a member of the State Executive of the South Australia branch of the ALP and a board member on the Board of Workcover SA.

### **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;**

27,144

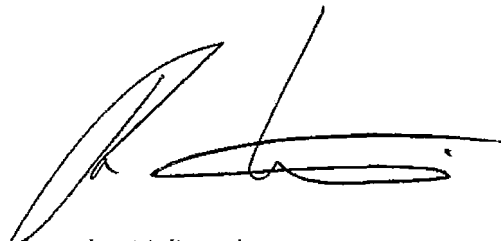
**The number of employees of the reporting unit at the end of the financial year measured on a full-time equivalent basis**

5 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, appearing to read 'Peter Malinauskas', with a long horizontal stroke extending to the right.

Peter Bryden Malinauskas

Dated at Adelaide this 16th day of August 2012



SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION  
SOUTH AUSTRALIA BRANCH

INCOME STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
<b>INCOME</b>			
Affiliation fees		595,479	555,737
Interest income		8,056	6,918
Members subscriptions		695,364	665,734
Other income		3,009	2,453
		<u>1,301,908</u>	<u>1,230,842</u>
<b>EXPENDITURE</b>			
Administrative expenses	2	71,619	81,019
Affiliation fees	3	684,456	641,568
Annual leave expense		15,183	17,972
Audit fees	4	5,000	5,000
Committee of management		0	1,670
Delegate expenses		4,017	3,907
Depreciation		7,530	8,100
Entertainment			
- Member recreation		39,795	31,636
- Other		15,534	19,953
Fringe benefits tax		7,902	16,409
Insurance claims		500	0
Insurance premiums		6,682	1,706
Long service leave expense		2,227	3,288
Medical reports		582	0
Members benefits		0	817
Mortuary fund payments		0	182
MV fuel		0	17
MV registration		285	949
MV repairs & maintenance		923	321
Payroll tax		10,156	10,897
Print post & stationery		4,845	3,415
Salaries			
- Officials		46,264	44,970
- Staff		181,951	213,625
Scholarships		0	600
Superannuation		30,405	34,390

The accompanying notes form part of these financial statements

Travel - allowances	7,856	5,367
Travel - fares & accommodation	21,847	17,426
Workcover	0	11,000
	<u>1,165,557</u>	<u>1,176,202</u>
OPERATING SURPLUS	<u>136,351</u>	<u>54,639</u>
Profit/(Loss) on disposal of Office Equipment	-1,503	0
NET SURPLUS	<u>134,848</u>	<u>54,639</u>

The accompanying notes form part of these financial statements

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION  
SOUTH AUSTRALIA BRANCH

BALANCE SHEET  
AS AT 30 JUNE 2012

	Note	2012 \$	2011 \$
<b>CURRENT ASSETS</b>	<b>5</b>		
Bank		509,141	353,180
Petty Cash		200	200
<b>TOTAL CURRENT ASSETS</b>		<u>509,341</u>	<u>353,380</u>
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	<b>6</b>	29,353	38,387
<b>TOTAL NON-CURRENT ASSETS</b>		<u>29,353</u>	<u>38,387</u>
<b>TOTAL ASSETS</b>		<u>538,694</u>	<u>391,767</u>
<b>CURRENT LIABILITIES</b>			
Payables	<b>7</b>	34,403	26,789
Provision for Annual Leave	<b>8</b>	21,727	19,489
<b>TOTAL CURRENT LIABILITIES</b>		<u>56,131</u>	<u>46,278</u>
<b>NON-CURRENT LIABILITIES</b>			
Provision for Long Service Leave	<b>8</b>	12,907	10,680
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>12,907</u>	<u>10,680</u>
<b>TOTAL LIABILITIES</b>		<u>69,037</u>	<u>56,958</u>
<b>NET ASSETS</b>		<u>469,657</u>	<u>334,809</u>
<b>EQUITY</b>			
Retained profits		469,657	334,809
<b>TOTAL EQUITY</b>	<b>9</b>	<u>469,657</u>	<u>334,809</u>

The accompanying notes form part of these financial statements

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION  
SOUTH AUSTRALIA BRANCH

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2012

	Notes	General Fund \$	Asset Revaluation Reserve \$
Balance at 30 June 2010		280,170	0
Profit/(loss) attributable to the organisation		54,639	0
Transfers to and from reserves		0	0
Transfers from retained earnings		0	0
Sub-total		54,639	0
Balance at 30 June 2011		334,809	0
Profit/(loss) attributable to the organisation		134,848	0
Transfers to and from reserves		0	0
Transfers from retained earnings		0	0
Sub-total		134,848	0
Balance at 30 June 2012		469,657	0

The accompanying notes form part of these financial statements

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION  
SOUTH AUSTRALIA BRANCH

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,293,852	1,223,924
Payments to suppliers and employees		(1,145,948)	(1,163,361)
Interest received		8,056	6,918
Finance costs		0	0
Net cash provided by operating activities	10	<u>155,960</u>	<u>67,480</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		0	0
Payment for property, plant and equipment		0	(10,467)
Payment for investments		0	0
Proceeds from investments		0	0
Net cash provided by investing activities		<u>0</u>	<u>(10,467)</u>
Net increase/(decrease) in cash held		155,960	57,013
Cash at beginning of financial year		<u>353,380</u>	<u>296,367</u>
Cash at end of financial year	5	<u><u>509,341</u></u>	<u><u>353,380</u></u>

The accompanying notes form part of these financial statements

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
SOUTH AUSTRALIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers the Shop Distributive and Allied Employees' Association South Australian Branch. 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 is part of a larger corporate legal entity, the Shop Distributive and Allied Employees' Association which is registered 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.

**Accounting Policies**

**(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:

Motor Vehicles	20%
Office Equipment	20% - 25%

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.

	2012 \$	2011 \$
<b>NOTE 2: ADMINISTRATION EXPENSES</b>		
Advertising	0	293
Bank fees & taxes	376	415
Computer software & consumables	102	978
Donations – members	1,500	0
Donations – other	200	0
Donations – political	11,261	17,755
Electricity	5,974	4,435
Other expenses	456	1,113
Rent paid	35,364	35,986
Repairs & maintenance	9,160	9,910
Telephone & internet	7,228	7,448
Training	0	2,684
Total administration expenses	<u>71,619</u>	<u>81,019</u>

### **NOTE 3: AFFILIATION FEES**

<b>(a) Income</b>		
Shop Distributive & Allied Employees South Australia Branch	595,479	555,736
	<u>595,479</u>	<u>555,736</u>
<b>(b) Expenditure</b>		
ALP NT Branch	10,299	10,019
Shop Distributive & Allied Employees National Fund	518,582	485,806
Shop Distributive & Allied Employees International Fund	155,574	145,742
	<u>684,455</u>	<u>641,567</u>

### **NOTE 4: AUDITOR'S REMUNERATION**

Auditing or reviewing the financial report	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

#### NOTE 5: CASH AND CASH EQUIVALENTS

	2012 \$	2011 \$
NAB current account	509,141	353,180
Cash - other	200	200
	<u>509,341</u>	<u>353,380</u>

#### NOTE 6: PLANT AND EQUIPMENT

##### (a) Motor vehicles

At cost	49,355	49,355
Less accumulated depreciation	(29,880)	(25,000)
	<u>19,475</u>	<u>24,355</u>

##### (b) Office equipment

At cost	23,707	35,698
Less accumulated depreciation	(13,830)	(21,667)
	<u>9,877</u>	<u>14,031</u>

#### Total plant and equipment

	<u>29,352</u>	<u>38,387</u>
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Movements in plant and equipment during the year were as follows:

	Office Equipment	Motor Vehicles	Total
Balance at the beginning of the year	14,030	24,355	38,385
Additions	0.00	0.00	0.00
Disposals	(1,503)	0.00	(1,503)
Depreciation expense	(2,650)	(4,880)	(7,530)
Carrying amount at the end of the year	<u>9,877</u>	<u>19,475</u>	<u>29,352</u>

#### NOTE 7: TRADE AND OTHER PAYABLES

Trade payables	30,926	27,824
GST payable	3,477	(1,035)
Total	<u>34,403</u>	<u>26,789</u>

#### NOTE 8: EMPLOYEE ENTITLEMENT PROVISIONS

##### CURRENT

##### Provision for annual leave

- Holders of office	5,493	3,272
- Other Employees	16,234	16,217
	<u>21,727</u>	<u>19,489</u>

	2012 \$	2011 \$
<b>NON-CURRENT</b>		
Provision for annual leave		
- Holders of office	0	0
- Other Employees	12,906	10,680
	<u>12,906</u>	<u>10,680</u>
	<u>34,633</u>	<u>30,169</u>

#### NOTE 9: EQUITY

General fund	469,657	334,808
Total at the reporting date	<u>469,657</u>	<u>334,808</u>

#### NOTE 10: CASH FLOW INFORMATION

(a) Reconciliation of cash flow from operations with  
Net profit attributable to the organisation:

Profit (Loss)	136,351	54,639
Non-cash flows in profit		
Depreciation	7,530	8,100
Loss/(gain) on revaluation of property	0	0
Changes in Assets and Liabilities		
(Increase)/decrease in plant & equipment	0	(10,467)
Increase/(decrease) in employee provisions	4,465	2,909
Increase/(decrease) in payables	7,614	1,832
Net cash provided by operating activities	<u>155,960</u>	<u>57,013</u>

#### NOTE 11: 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 12: RELATED PARTY TRANSACTIONS

The state-registered Shop Distributive & Allied Employees Association South Australia Branch is affiliated with the federal-registered Shop Distributive & Allied Employees Association and provides administrative and legal services to this Branch.

These services are currently provided at no cost. However, consideration is being given to an arrangement where the services would be provided for a fee based on an agreed formula.

#### NOTE 13: GOING CONCERN

The federal-registered Shop Distributive & Allied Employees Association South Australia Branch operates in close cooperation with the larger state-registered Shop Distributive & Allied Employees Association South Australia Branch. This gives access to significant economies of scale and cost savings.

As mentioned in note 12 above, consideration is being given to formalising the arrangement.

#### NOTE 14: ADDITIONAL INFORMATION - FWA REPORTING GUIDELINES

(s253 of Fair Work (Registered Organisations) Regulations 2009 (the RO Regulations)).

Expenses incurred as consideration for employers making payroll deductions of membership subscriptions.	72,939	74,947
Fees or allowances to persons in respect of attendances as representatives of the reporting unit at conferences or other meetings.	3,361	1,933
Legal costs and other expenses related to litigation or other legal matters.	0	0

#### NOTE 15: INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER, FAIR WORK AUSTRALIA

In accordance with the requirements of subsection 272(5) of the Fair Work (Registered Organisations) Act 2009, 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 the General Manager, 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). Note: This subsection is a civil penalty provision (see section 305).

#### NOTE 16: 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.



FAIR WORK  
AUSTRALIA

7 August 2012

Mr D E Farrell  
Secretary  
Shop, Distributive and Allied Employees Association-South Australian Branch

[secretary@sdasa.asn.au](mailto:secretary@sdasa.asn.au)

Dear Mr Farrell,

**Lodgement of Financial Documents for year ended 30 June 2012 [FR2012/378]  
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Shop, Distributive and Allied Employees Association-South Australian Branch (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents. The full financial report must be lodged with Fair Work Australia within a period of 6 months and 14 days of the end of the financial year.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The attached *Timeline/Planner* summarises these requirements.

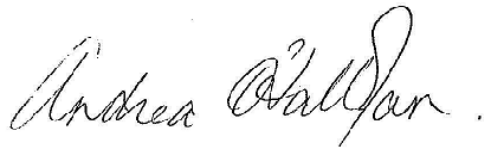
Failure to comply with these obligations is subject to a civil penalty provision - see s305 of the RO Act.

In addition, financial reporting fact sheets and sample documents can be found on our Fair Work Australia website. The information can be viewed at [www.fwa.gov.au](http://www.fwa.gov.au) – under *Registered Organisations – Overview – Fact sheets*. This site also contains the Financial Reporting Guidelines.

This office encourages you to lodge all financial reports electronically (e.g. as pdf files) at [orgs@fwa.gov.au](mailto:orgs@fwa.gov.au). Alternatively, you can forward the documents by fax to (03) 9655 0410.

Please do not hesitate to contact me on (03) 8661 7787 or by email at Andrea.O'HALLORAN@fwa.gov.au if you wish to discuss the requirements outlined in this correspondence.

Yours sincerely,

A handwritten signature in black ink, reading "Andrea O'Halloran". The signature is written in a cursive style with a large, stylized 'A' and 'O'.

Andrea O'Halloran  
Organisations, Research & Advice  
Fair Work Australia

## TIMELINE/ PLANNER

Financial reporting period ending:	/ /
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Prepare financial statements and Operating Report.
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<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /
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*As soon as practicable after end of financial year*

Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR  
(NB: Auditor's report must be dated on or after date of Committee of Management Statement)*

<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> <li>the General Purpose Financial Report (which includes the Committee of Management Statement);</li> <li>the Auditor's Report; and</li> <li>the Operating Report.</li> </ul>	/ /
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*(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,*

*or*

*(b) in any other case including where the report is presented to a Committee of Management meeting\*, the report must be provided to members within 5 months of end of financial year.*

Present full report to:	/ /
(a) General Meeting of Members - s266 (1),(2); OR	/ /
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /

*Within 6 months of end of financial year*

*Within 6 months of end of financial year*

Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate** – s268	/ /
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*Within 14 days of meeting*

*\* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.*

*# The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.*

*++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.*