



2 December 2014

Mr Peter Malinauskas
Secretary/Treasurer
South Australian Branch
Shop, Distributive and Allied Employees Association
secretary@sda.com.au

CC: Geoff Snowball, auditor, by email: gws@senet.com.au

Dear Mr Malinauskas,

**Shop, Distributive and Allied Employees Association - South Australian Branch
Financial Report for the year ended 30 June 2014 - [FR2014/336]**

I acknowledge receipt of the financial report of the Shop, Distributive and Allied Employees Association - South Australian Branch. The documents were lodged with the Fair Work Commission on 13 November 2014.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

General purpose financial report to be prepared on accrual basis

Section 252 of the RO Act places obligations upon reporting units to keep financial records. Under section 252(4) an organisation may *keep* the financial records for its membership subscriptions on a cash basis.

This is distinct from the obligation under section 253 to prepare a general purpose financial report (GPFR). Section 253 requires that '...a reporting unit must cause a general purpose financial report to be *prepared*, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...'. Paragraph 27 of Australian Accounting Standard *AASB101 Presentation of Financial Statements*, states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

The notes to the financial statements state that the report 'has been prepared on an accruals basis' however states further that:

- '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.'

Both of these notes would indicate that the revenue of the branch is not recognised on a purely accruals basis.

In future please ensure that all revenue, including member subscriptions, is brought to account on an accruals basis in accordance with the Australian Accounting Standards. It is further noted that this will result in a change of accounting policy that will need to be disclosed in accordance with AASB 108 (Accounting Policies, Changes in Accounting Estimates and Errors). You may need to discuss this with your auditor.

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at catherine.bebbington@fwc.gov.au.

Yours sincerely



CATHERINE BEBBINGTON
Regulatory Compliance Branch

FAIR WORK COMMISSION

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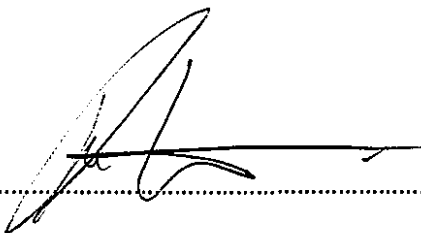
11 Exhibition Street, Melbourne Victoria 3000
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**Shop Distributive & Allied Employees Association South Australia Branch
s.268 Fair Work (Registered Organisations) Act 2009
Certificate by Prescribed Designated Officer
Certificate for the period ended 30 June 2014**

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

- the documents lodged herewith are copies of the full report for the period ended 30 June 2014 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- the full report was made available to members on the 16th day of October 2014; and
- the full report was presented to a general meeting of members of the reporting unit on 11 November 2014 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer: 

Name of prescribed designated officer: Peter Bryden Malinauskas

Title of prescribed designated officer: Secretary/Treasurer of the Shop Distributive & Allied Employees Association South Australia Branch

Dated: 12 November 2014

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

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 2014, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, the Operating Report and the Committee of Management Statement.

Responsibility for the Financial Report

The Committee of Management of the Association is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Association's rules, the relevant provisions of the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Committee of Management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

The financial report has been prepared for distribution to the members of the Association for the purpose of fulfilling the requirements of sections 265(1) and 265(5) of the Fair Work (Registered Organisations) Act 2009 in relation to the financial report and the independent auditor's report. As a result the financial report may not be suitable for another purpose.

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. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 association's preparation and fair presentation of the financial report in order to design audit procedures

GEOFF SNOWBALL

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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. I have also concluded that the Committee of Management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Independence

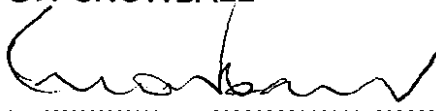
In conducting my audit, I have complied with the independence requirements of Australian professional accounting bodies.

Auditor's Opinion

In my opinion

1. the general purpose financial report of the Shop Distributive & Allied Employees Association South Australian Branch presents fairly, in all material respects, the financial position of the Shop Distributive & Allied Employees Association South Australian Branch as at 30 June 2014, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009,
2. 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, 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

DATE: 19th September 2014

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH
OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2014**

The committee of management presents its report on the reporting unit for the financial year ended 30 June 2014.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

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

New Enterprise Agreements or wage outcomes have been successfully negotiated for approximately 3,000 members in the 12 months to 30th June 2014.

New Agreements were finalised with companies including ALM, Big W DC, Cheap as Chips, Coles Liquor Group, Dan Murphy's and Bras N Things. Negotiations with Coles Supermarkets commenced in the financial year 13/14 and remain ongoing.

Our emphasis on recruitment has resulted in a 2.21% increase in membership in the financial year 2014.

The association continues to pursue members' interests by running relevant issue based campaigns. The 100% Pay at 18+ Campaign has been successful in leading to the removal of junior based pay rates for 20 year-olds in the General Retail Industry Award. This national campaign is ongoing as the association continues the fight to remove aged based pay discrimination for adults in the retail industry.

Affiliations & Directorships

The Shop Distributive and Allied Employees Association South Australia Branch is affiliated with the Australian Labor Party.

The Branch Secretary is a member of the State Executive of the South Australia Branch of the Australian Labor Party and the Board of WorkCover SA.

Significant changes in financial affairs

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

Right of members to resign

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

Officers and employees who are superannuation fund trustee(s) or directors of a company that is a superannuation fund trustee

There are no officers or employees who are a superannuation fund trustee or director. Peter Malinauskas was appointed an Alternate Director of REST Superannuation to Director Geoff Williams, effective from 20 May 2014.

Number of members

28,208

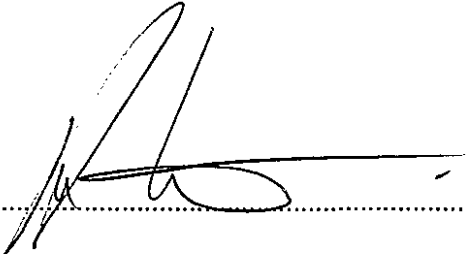
Number of employees (on a full time equivalent basis)

5 employees

Names of Committee of Management members and the period positions held during the financial year

Full year

Maree Appelkamp (Vice President), Lyn Barr (Committee Member), Amy Hayes (Committee Member), Adam Izzo (Committee Member), Peter Malinauskas (Secretary/Treasurer), Roger Nicholls (Committee Member), Robert O’Rielly (Committee Member), Anne Revell (Vice President), Lyn Rivers (President), Sonia Romeo (Assistant Secretary).

Signature of designated officer: 

Name of designated officer: Peter Bryden Malinauskas

Office held: Secretary/Treasurer

Dated: 19 September 2014

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH
COMMITTEE OF MANAGEMENT STATEMENT FOR THE YEAR ENDED 30 JUNE 2014**

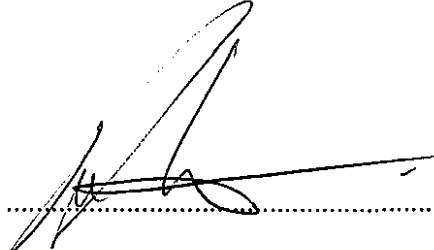
On 17th September 2014 the Committee of Management of the Shop Distributive and Allied Employees Association South Australia Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2014:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (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 that 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 organisation 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 organisation 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 RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) where the reporting unit has not derived revenue from undertaking recovery of wages activity, include the statement 'no revenue has been derived from undertaking recovery of wages activity during the reporting period' or
- (g) where the reporting unit has derived revenue from undertaking recovery of wages activity:

- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
- (ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and
- (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
- (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer: 

Name and title of designated officer: Peter Bryden Malinauskas

Office held: Secretary/Treasurer

Dated: 19th day of September 2014

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014 \$	2013 \$
Income			
Affiliation fees	2	503,768	504,842
Interest income		14,404	7,751
Levies received	3	84,676	175,066
Members subscriptions		759,158	641,420
Other income		2,160	4,533
Workcover recoveries		1,790	0
		1,365,957	1,333,612
Expenditure			
Administrative expenses	4	87,546	139,007
Affiliation fees	2	572,947	578,556
Annual leave expense	5	14,588	14,010
Audit fees	6	5,000	5,000
Committee of management		1,640	841
Delegates expenses		1,185	3,742
Depreciation	1(b)	4,480	6,800
Entertainment		17,582	13,905
Fringe benefits tax		2,060	4,851
Insurance claims		745	0
Insurance premiums		7,976	0
Levies paid	3	94,539	196,886
Long service leave expense	5	-4,400	14,831
Member recreation		17,575	55,968
MV fuel		103	199
MV registration		613	517
MV repairs & maintenance		940	108
Payroll tax		7,254	9,722
Salaries	5	215,685	226,020
Superannuation	5	26,095	30,059
Training		1,449	0
Travel		37,089	14,448
Workcover		1,228	4,387
		1,113,918	1,319,856
Operating Profit		252,039	13,756

Other Comprehensive Profit/(Loss):

Profit/(Loss) on sale of motor vehicles	0	-1,822
Profit/(Loss) on disposal of office equipment	0	-280
Other comprehensive income/(loss) for the year	0	0
	<hr/>	
Total other comprehensive profit/(loss) for the year	0	-2,102
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Total comprehensive income attributable to the organisation	252,039	11,654
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SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH

BALANCE SHEET
AS AT 30 JUNE 2014

	Notes	2014 \$	2013 \$
CURRENT ASSETS			
Bank		73,739	46,316
Financial Investments		669,186	500,100
Petty Cash		200	200
TOTAL CURRENT ASSETS		<u>743,125</u>	<u>546,616</u>
NON-CURRENT ASSETS			
Fixed Assets	1(b), 8	52,612	23,859
TOTAL NON-CURRENT ASSETS		<u>52,612</u>	<u>23,859</u>
TOTAL ASSETS		<u>795,737</u>	<u>570,475</u>
CURRENT LIABILITIES			
Payables	9	10,571	46,050
Provision for Annual Leave	10	28,479	15,376
Provision for Long Service Leave	10	18,531	14,402
TOTAL CURRENT LIABILITIES		<u>57,581</u>	<u>75,829</u>
NON-CURRENT LIABILITIES			
Provision for Long Service Leave	10	4,807	13,336
TOTAL NON-CURRENT LIABILITIES		<u>4,807</u>	<u>13,336</u>
TOTAL LIABILITIES		<u>62,388</u>	<u>89,164</u>
NET ASSETS		<u>733,349</u>	<u>481,311</u>
EQUITY			
Members Funds		481,311	469,657
Net Surplus		252,039	11,654
TOTAL EQUITY	11	<u>733,349</u>	<u>481,311</u>

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Notes	General Fund \$	Asset Revaluation Reserve \$
Balance at 30 June 2012		469,657	-
Profit/(loss) attributable to the organisation		13,756	-
Other comprehensive income		(2,102)	-
Transfers to and from reserves		-	-
Transfers from retained earnings		-	-
Sub-total		11,654	-
Balance at 30 June 2013		481,311	-
Profit/(loss) attributable to the organisation		252,039	-
Other comprehensive income		-	-
Transfers to and from reserves		-	-
Transfers from retained earnings		-	-
Sub-total		252,039	-
Balance at 30 June 2014		733,349	-

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,351,553	1,325,861
Payments to suppliers and employees		(1,136,215)	(1,292,929)
Interest received		14,404	7,751
Finance costs		0	0
Net cash provided by operating activities		<u>229,742</u>	<u>40,683</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		0	3,455
Payment for property, plant and equipment		(33,233)	(6,862)
Payment for investments		0	0
Proceeds from investments		0	0
Net cash provided by investing activities		<u>(33,233)</u>	<u>(3,407)</u>
Net increase/(decrease) in cash held	12	<u>196,509</u>	37,276
Cash at beginning of financial year		<u>546,616</u>	509,341
Cash at end of financial year	7	<u><u>743,125</u></u>	<u><u>546,616</u></u>

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 a not-for-profit 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 (the Act).

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	25%
Office Equipment	10% - 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.

Payments to the International Fund had been incorrectly recorded as affiliation fees rather than a levy.

The comparative figures have been adjusted as follows:

Income

Affiliation fees were reduced from \$656,294 to \$504,842, a reduction of \$151,453.

Levies received were increased from \$23,614 to \$175,066, an increase of \$151,453 (rounded).

Expenditure

Affiliation fees were reduced from \$748,973 to \$578,556, a reduction of \$170,417.

Levies paid were increased from \$26,469 to \$196,886, an increase of \$170,417.

(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.

NOTE 2: AFFILIATION FEES

(a) Income

Shop Distributive & Allied Employees Association South Australia Branch	503,768	504,842
	503,768	504,842

(b) Expenditure

ALP NT Branch	10,867	10,499
Shop Distributive & Allied Employees Association National Account	562,079	568,057
	572,947	578,556

NOTE 3: LEVIES

Income

International Fund Levy received from Shop Distributive & Allied Employees Association South Australia Branch	75,565	151,453
ACTU IR Campaign Levy received from Shop Distributive & Allied Employees Association South Australia Branch	0	23,613
100% Pay – Week of Action Levy received from Shop Distributive & Allied Employees Association South Australia Branch	9,111	0
	84,676	175,066

(b) Expenditure

International Fund Levy paid to Shop Distributive & Allied Employees Association International Fund	84,312	170,417
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ACTU IR Campaign Levy paid to Shop Distributive & Allied Employees Association National Account	0	26,469
100% Pay – Week of Action Levy paid to Shop Distributive & Allied Employees Association National Account	10,227	0
	<u>94,539</u>	<u>196,886</u>

NOTE 4: ADMINISTRATION EXPENSES

Bank fees & taxes	894	629
Donations - other	150	500
Donations - political	16,315	73,338
Electricity	7,208	9,729
Legal - members	6,498	336
Other expenses	1,122	2,243
Print post & stationery	6,724	3,283
Rent paid	41,030	39,679
Repairs & maintenance	7,257	7,970
Telephone & internet	349	1,301
	87,546	139,007

NOTE 5: EMPLOYEE EXPENSES

(a) Holders of office

Wages and salaries	27,633	27,214
Superannuation	3,316	4,276
Leave and other entitlements	4,669	5,949
Separation and redundancies	0	0
Other employee expenses	0	0
Subtotal	<u>35,618</u>	<u>37,439</u>

(b) Employees other than holders of office

Wages and salaries	188,052	198,806
Superannuation	22,779	25,783
Leave and other entitlements	5,519	22,891
Separation and redundancies	0	0
Other employee expenses	0	0
Subtotal	<u>216,350</u>	<u>247,480</u>

Total employee expenses	<u>251,968</u>	<u>284,919</u>
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NOTE 6: AUDITOR'S REMUNERATION

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

NOTE 7: CASH AND CASH EQUIVALENTS

NAB current account	73,739	46,316
NAB cash maximiser account	669,186	500,100
Cash - other	200	200
	<u>743,125</u>	<u>546,616</u>

NOTE 8: PLANT AND EQUIPMENT

PLANT AND EQUIPMENT

(a) Motor vehicles

At cost	59,003	27,199
Less accumulated depreciation	(18,540)	(15,350)
	<u>40,463</u>	<u>10,420</u>

(b) Office equipment

At cost	27,199	27,199
Less accumulated depreciation	(15,050)	(13,760)
	<u>12,149</u>	<u>13,439</u>

Total plant and equipment	<u>52,612</u>	<u>23,859</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	13,439	10,420	23,859
Additions	0	33,233	33,233
Disposals	0	0	0
Depreciation expense	(1,290)	(3,190)	(4,480)
Carrying amount at the end of the year	<u>12,149</u>	<u>40,463</u>	<u>52,612</u>

NOTE 9: TRADE AND OTHER PAYABLES

Trade payables	6,114	45,825
GST payable	4,457	225
Total	<u>10,571</u>	<u>46,050</u>

NOTE 10: EMPLOYEE ENTITLEMENT PROVISIONS

(a) Holders of office

Annual Leave	5,937	2,746
Long Service Leave	4,807	3,453
Separation and redundancies	0	0
Other employee provisions	0	0
Subtotal	<u>10,744</u>	<u>6,199</u>

(b) Employees other than holders of office

Annual Leave	22,541	12,630
Long Service Leave	18,531	24,284
Separation and redundancies	0	0
Other employee provisions	0	0
Subtotal	<u>41,072</u>	<u>36,914</u>

Total employee entitlement provisions	51,816	43,113
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NOTE 11: EQUITY

General fund	733,349	481,311
Total at the reporting date	733,349	481,311

NOTE 12: CASH FLOW INFORMATION

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

Profit (Loss)	252,039	13,756
Non-cash flows in profit		
Depreciation	4,480	6,800
Changes in Assets and Liabilities		
(Increase)/decrease in plant & equipment	(33,233)	(3,407)
Increase/(decrease) in employee provisions	8,702	8,480
Increase/(decrease) in payables	(35,479)	11,647
Net cash provided by operating activities	196,509	37,276

NOTE 13: 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 affiliation fees and members subscriptions. Provided member numbers are maintained, 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 14: RELATED PARTY TRANSACTIONS

There were no related party transactions for the reporting period.

Key Management Personnel

[REDACTED]

See note 17 for remuneration for the financial year:

NOTE 15: INFORMATION REQUIRED UNDER THE REPORTING GUIDELINES FOR THE PURPOSES OF SECTION 253 FOR THIS REPORTING ENTITY FOR THE REPORTING PERIOD

General

Paragraph 10 - The ability to continue as a going concern was not reliant on the agreed financial support of another reporting unit.

Paragraph 11 - There was no agreement to provide financial support to ensure another reporting unit had the ability to continue as a going concern.

Paragraph 12 - No assets or liabilities were acquired as a result of:

- a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation, or
- b) a restructure of the branches of the organisation, or
- c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation, or
- d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1)

Paragraph 13 – None of the activities in paragraphs 10, 11 and 12 above have occurred in the reporting period.

Revenue

Paragraph 14

b) Capitation fee received from another reporting unit of the organization	0	0
c) Compulsory levies raised from the members or as appeals for voluntary contributions (including whip rounds) for the furtherance of a particular purpose	0	0
d) Donations or grants (other than voluntary contributions referred to in subparagraph c)	0	0
e) Financial support received from another reporting unit of the organisation	0	0

Expenses

Paragraph 16

a) Expenses incurred as consideration for employers making payroll deductions of membership subscriptions	74,748	69,234
b) Capitation fees paid under the rules of the organisation or a branch of the organisation to another reporting unit of the organisation		
Affiliation fees (see note 2)	572,947	578,556
Levies (see note 3)	94,539	196,885
c) fees and periodic subscriptions paid in respect of affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters		
ALP NT Branch	10,867	10,499
d) Compulsory levies imposed on the reporting unit		
See note 3	94,539	196,886
e) Grants and donations		
i) Grants	0	0
ii) Donations have been disclosed in a statement lodged under section 237 of the RO Act.		
f) and g) employee expenses – see note 5		
h) fees and/or allowances (other than any amount included in an amount referred to in subparagraphs (f) or (g) of this paragraph) paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings	11,246	9,769
i) expenses incurred in connection with holding meetings of members and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible	54,317	70,416
j) legal costs and other expenses related to:		

i litigation	0	0
ii other legal matters	6,498	336

k) There were no penalties imposed on the organisation under the RO Act with respect to conduct

Assets & liabilities

Paragraph 19 - There were no receivables or payables resulting from transactions and/or other past events with another reporting unit of the organisation

Paragraph 20

a) Payables to employers as consideration for the employers making payroll deductions of membership subscriptions	0	0
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b) Payables in respect of legal costs and other expenses related to litigation or other legal matters	0	0
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c) and d) employee entitlement provisions – see note 10

Equity

Paragraph 22

a) and b) There were no funds or accounts operated in respect of compulsory levies raised or voluntary contributions collected from members

c) there was no fund or account operated (other than the general fund), the operation of which is required by the rules of the organisation including the rules of a branch of the organisation

d) there were no transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s)

Cashflows

Paragraph 24

a) Cash inflows from other reporting units of the organisation

SDA Western Australia Branch (Kununurra service fee)	2,160	2,305
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b) Cash outflows to other reporting units of the organisation

SDA National Office (Affiliation fees)	562,079	568,057
SDA National Office (Levies paid)	94,539	170,417

Recovery of wages activity

Paragraph 26 - There has been no revenue derived from recovery of wages activity for the financial year.

Additional reporting requirements

Paragraph 31 – The association’s financial affairs were administered by another entity.

a) The other entity is the state-registered Shop Distributive and Allied Employees Association South Australia Branch.

b) the terms and conditions of the arrangement:

The service is provided at no cost by staff employed by the other entity.

c) a narrative description as to the nature of the expenses and/or consultancy services provided:

Financial administration comprised banking of subscriptions, payment of accounts, payroll processing and preparation of taxation returns and financial reports.

The expense, estimated at \$10,000, was salaries and associated costs for state association employees to carry out these functions.

Paragraph 32 – No payment was made during the reporting period to former related party of the reporting unit where the liability was incurred during the period in which a related party relationship existed.

NOTE 16: RELATIONSHIP WITH STATE-REGISTERED ASSOCIATION

The state-registered Shop Distributive and Allied Employees Association South Australia Branch is registered under the South Australian Fair Work Act 1994. It is not a reporting unit of the organisation.

Its head office is located in Kent Town South Australia and it services members employed in South Australia.

The federal association covers the Northern Territory and New South Wales (Broken Hill area), with its head office in Kent Town South Australia and regional offices in Darwin and Broken Hill.

The state-registered association is affiliated with the federal-registered association.

Members of the state-registered association are also members of the federal-registered association under the affiliation arrangement.

The Northern Territory and Broken Hill membership is approximately one tenth of the South Australian membership.

The associations have similar aims in their respective locations.

NOTE 17: DISCLOSURE OF BANCH OFFICERS’ REMUNERATION

Remuneration for the financial year:

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

NOTE 18: 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. A reporting unit must comply with an application made under subsection (1). Note: This subsection is a civil penalty provision (see section 305).