



4 November 2015

Mr Peter Malinauskas
Branch Secretary
Shop Distributive & Allied Employees Association, South Australia Branch
69 Fullarton Road
KENT TOWN SA 5067

via email: secretary@sda.com.au

Dear Mr Malinauskas

The Shop Distributive & Allied Employees Association South Australia Branch Financial Report for the year ended 30 June 2015 - [FR2015/320]

I acknowledge receipt of the financial report of the Shop Distributive & Allied Employees Association South Australia Branch (the reporting unit). The documents were lodged with the Fair Work Commission (FWC) on 28 October 2015.

The financial report has now been filed.

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 2016 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 FWC will confirm these concerns have been addressed prior to filing next year's report.

Statement of financial position

Disclosure of payables in respect of legal costs

Reporting Guideline 20(b) requires a payable in relation to legal costs to be disclosed by litigation and by other legal matters. Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement to this effect must be included in the GPF. I note that for litigation and other legal matters no such disclosure has been made.

Notes to the financial statements

New Australian Accounting Standards

Australian Accounting Standard *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* paragraph 14 requires that the entity disclose new Australian Accounting Standards adopted during the period. During the financial year *AASB 10 Consolidated Financial Statements*, *AASB 11 Joint Arrangements* and *AASB 12 Disclosures of Interests in Other Entities* were all adopted for the first time.

A statement in relation to the impact of applying these new standards or if relevant, that there was no impact on the reporting unit, was not included in the financial report.

Please note that Note 1 *Summary of Significant Accounting Policies* should only include those accounting policies which are applicable to the reporting unit. I note for example, that a policy for rental revenue is included under Note 1.4 *Revenue* however the reporting unit does not disclose the collection of rental revenue within the financial statements. Another example is under Note 1.13 *Land, Buildings, Plant and Equipment* where an accounting policy for revaluing land and buildings is included but the reporting unit does not disclose the ownership of any land and buildings.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

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) 8656 4681 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

**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 2015**

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 Shop Distributive & Allied Employees Association South Australia Branch for the period ended 30 June 2015 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- the full report was made available to members on the 18th day of September 2015; and
- the full report was presented to a general meeting of members of the reporting unit on 21 October 2015 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: 21 October 2015

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 statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, a summary of significant accounting policies and other explanatory notes, the operating report and the committee of management statement for the Association.

Committee Members' Responsibility for the Financial Report

The committee members of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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 auditing 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 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 members, 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.

GEOFF SHOWBALL
Chartered Accountant

*PO Box 2068
Kent Town SA 5071*

*Unit B
26 The Parade West
Kent Town SA 5067*

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(08) 8362 9247
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(08) 8363 0622
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Independence

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

Auditor's Opinion

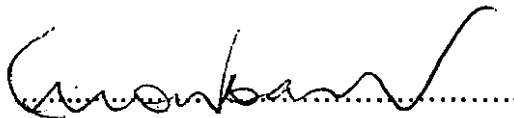
In my opinion the financial report presents fairly, in all material respects, the financial position of the Shop Distributive & Allied Employees Association South Australian Branch as at 30 June 2015 and of its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

Report on Other Legal and Regulatory Requirements

In addition,

- (i) there were kept by the Association, in relation to the year ended 30 June 2015 satisfactory accounting records including
 - (a) records of the sources and nature of the income of the association, including income from members; and
 - (b) records of the nature and purposes of the expenditure of the organisation.
- (ii) the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009
- (iii) as part of my audit of the association I am of the opinion that the management's use of the going concern basis of financial reporting is appropriate
- (iv) 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

NAME OF FIRM: GW SNOWBALL



NAME OF PARTNER: GEOFFREY WALTER SNOWBALL
Registered Company Auditor

DATE: 17th September 2015.

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH
COMMITTEE OF MANAGEMENT STATEMENT FOR THE YEAR ENDED 30 JUNE 2015**

On 16th September 2015 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 2015:

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) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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, Secretary/Treasurer

Dated: 17th day of September 2015

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH
OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2015**

The committee presents its report on the reporting unit for the financial year ended 30 June 2015.

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 continues to be providing high-quality industrial services to members.

New Enterprise Agreements and wage outcomes have been successfully negotiated for approximately 5,600 members in the 12 months to 30 June 2015.

New agreements were finalised with companies including Coles Supermarkets, Coles Edinburgh Parks DC, The Reject Shop, Haighs, Bras N Things, Lovisa, Woolworths DC and Adelaide Convention Centre.

Despite an overall reduction of retail staffing numbers in certain companies, our emphasis on recruitment has resulted in an increase in membership in the financial year 2015.

The association continues to advocate for the best interest of members by running relevant campaigns. The 100% Pay at 18+ Campaign has been successful in the removal of junior based pay rates for 20-year-olds under 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.

The association also continues to focus on advocacy to protect penalty rates in the retail industry as employer lobby groups continue to push for cuts to penalty rates in the Fair Work Commission as well as in the Productivity Commission Review.

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 Return to Work 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

Peter Malinauskas (Secretary/Treasurer) is an alternate director on the board of Retail Employees Superannuation Trust.

Number of members

29,324

Number of employees (on a full time equivalent basis)

6 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), 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).

Part year

Amy Hayes (Committee Member) 1 July to 22 December 2014.

Signature of designated officer: 

Name and title of designated officer: Peter Bryden Malinauskas, Secretary/Treasurer

Dated: 16 September 2015

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2015 \$	2014 \$
Revenue			
Members subscriptions		819,827	833,906
Capitation fees	3A	0	0
Affiliation fees	3B	582,416	503,768
Levies	3C	112,954	84,676
Interest	3D	14,235	14,404
Other revenue		7,374	3,950
Total revenue		1,536,806	1,440,705
Other Income			
Grants and/or donations	3E	0	0
Total other income		0	0
Total income		1,536,806	1,440,705
Expenses			
Employee expenses	4A	334,779	251,968
Capitation fees	4B	0	0
Affiliation fees	4C	661,106	572,947
Levies	4D	126,326	94,539
Administration expenses	4E	193,175	177,188
Grants and/or donations	4F	22,117	16,465
Depreciation	4G	10,590	4,480
Legal costs	4H	13,212	6,498
Audit fees	13	5,750	5,000
Net losses from sale of assets	4I	7,478	0
Penalties	4K	0	0
Other expenses		88,072	59,582
Total expenses		1,462,604	1,188,666
Profit (loss) for the year		74,202	252,039
Other comprehensive income		0	0
Total comprehensive income for the year		74,202	252,039

The above statement should be read in conjunction with the notes

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Notes	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	879,685	743,125
Trade and other receivables	5B	31,397	29,924
Total current assets		911,082	773,049
Non-Current Assets			
Plant and equipment	6A	34,362	52,612
Total non-current assets		34,362	52,612
Total Assets		945,445	825,661
LIABILITIES			
Current Liabilities			
Trade payables	7A	3,624	3,130
Other payables	7B	27,943	7,441
Employee provisions	8A	76,402	47,010
Total current liabilities		107,969	57,581
Non-Current Liabilities			
Employee provisions	8A, 9A	0	4,807
Total non-current liabilities		0	4,807
Total liabilities		107,969	62,388
Net assets		837,476	763,273
EQUITY			
General funds	10A	763,273	511,235
Profit		74,202	252,039
Total equity		837,476	763,273

The above statement should be read in conjunction with the notes

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entities	11B	2,436	2,160
Interest received		14,235	14,404
Other		1,520,136	1,424,141
Cash used			
Employees and suppliers		(622,672)	(618,984)
Payments from other reporting units/controlled entities	11B	(777,756)	(591,979)
Net cash from operating activities		136,378	229,742
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		182	0
Other		0	0
Cash used			
Purchase of plant and equipment		0	(33,233)
Other		0	0
Net cash from investing activities		182	(33,233)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		0	0
Other		0	0
Cash used			
Repayment of borrowings		0	0
Other		0	0
Net cash from financing activities		0	0
Net increase (decrease) in cash held		136,560	196,509
Cash and cash equivalents at the beginning of the reporting period		743,125	546,616
Cash and cash equivalents at the end of the reporting period	5A, 11A	879,685	743,125

The above statement should be read in conjunction with the notes

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	General funds	Retained earnings	Total equity
Balance at 1 July 2013		481,311	0	481,311
Adjustment for errors		0	0	0
Adjustment from changes in accounting policies	14	29,924	0	29,924
Profit for the year		252,039	0	252,039
Other comprehensive income for the year		0	0	0
Transfer to/from fund(s)		0	0	0
Transfer from retained earnings		0	0	0
Closing balance at 30 June 2014		763,273	0	763,273
Balance at 1 July 2014		763,273	0	763,273
Adjustment for errors		0	0	0
Adjustment fro changes in accounting policies		0	0	0
Profit for the year		74,202	0	74,202
Other comprehensive income for the year		0	0	0
Transfer to/from fund(s)		0	0	0
Transfer from retained earnings		0	0	0
Closing balance at 30 June 2015		837,476	0	837,476

The above statement should be read in conjunction with the notes

**SHOP DISTRIBUTIVE & ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH**

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
Other reporting unit of the organisation:		
Other entity:		
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages		
Account name	-	-

The above statement should be read in conjunction with the notes

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Shop Distributive and Allied Employees Association South Australia Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

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

1.3 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on *[reporting unit]* include: *[provide list]*

1.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.5 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.6 Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

1.7 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

1.8 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.9 Financial instruments

Financial assets and financial liabilities are recognised when a Shop Distributive & Allied Employees Association SA Branch entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.10 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments

in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.11 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.12 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.13 Land, Buildings, Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the declining balance method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2015	2014
Plant and equipment	10 to 25%	10 to 25%

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.14 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of [*reporting unit*] intangible assets are:

2015	2014
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Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

1.15 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the [reporting unit] were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.16 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

1.17 Taxation

The Shop Distributive & Allied Employees Association South Australia Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.18 Fair value measurement

The Shop Distributive & Allied Employees Association South Australia Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Shop Distributive and Allied Employees Association South Australia Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Shop Distributive & Allied Employees Association South Australia Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Shop Distributive and Allied Employees Association South Australia Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.19 Going concern

Shop Distributive and Allied Employees Association South Australia Branch is not reliant on agreed financial support to continue on a going concern basis.

NOTE 2: EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Shop Distributive and Allied Employees Association South Australia Branch.

	15 yr	14 yr
NOTE 3: INCOME		
Note 3A: Capitation fees		
None	0	0
Total capitation fees	0	0
Note 3B: Affiliation fees		
Shop Distributive & Allied Employees Association South Australia Branch	582,416	503,768
Total affiliation fees	582,416	503,768
Note 3C: Levies		
International Fund Levy received from Shop Distributive & Allied Employees Association South Australia Branch	87,362	75,565
ACTU IR Campaign Levy received from Shop Distributive & Allied Employees Association South Australia Branch	25,592	0
100% Pay – Week of Action Levy received from Shop Distributive & Allied Employees Association South Australia Branch	0	9,111
Total levies	112,954	84,676
Note 3E: Grants and/or donations		
None	0	0
Total grants and/or donations	0	0
NOTE 4 EXPENSES		
Note 4A: Employee expenses		
(a) Holders of office		
Wages and salaries	29,233	27,633
Superannuation	3,447	3,316
Leave and other entitlements	4,010	4,669
Separation and redundancies	0	0
Other employee expenses	0	0
Subtotal	36,690	35,618

(b) Employees other than holders of office		
Wages and salaries	240,326	188,052
Superannuation	26,880	22,779
Leave and other entitlements	30,883	5,519
Separation and redundancies	0	0
Other employee expenses	0	0
Subtotal	<u>298,089</u>	<u>216,350</u>

Total employee expenses	<u>334,779</u>	<u>251,968</u>
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Note 4B: Capitation fees

None	0	0
Total capitation fees	<u>0</u>	<u>0</u>

Note 4C: Affiliation fees

ALP NT Branch	9,675	10,867
Shop Distributive and Allied Employees Association National Account	651,431	562,079
Total affiliation fees	<u>661,106</u>	<u>572,946</u>

Note 4D: Levies

International Fund Levy paid to Shop Distributive and Allied Employees Association International Fund	97,714	84,312
ACTU IR Campaign Levy paid to Shop Distributive and Allied Employees Association National Account	28,611	0
100% Pay – Week of Action Levy paid to Shop Distributive and Allied Employees Association National Account	0	10,227
Total levies	<u>126,325</u>	<u>94,539</u>

Note 4E: Administration expenses

Consideration to employers for payroll deductions	73,407	74,748
Fees/allowances – meetings and conferences	17,391	11,246
Conference and meeting expenses	29,020	25,843
Contractors/consultants	0	0
Office expenses	73,357	65,351
Total administration expenses	<u>193,175</u>	<u>177,188</u>

Note 4F: Grants or donations

Grants:		
Total paid that were \$1,000 or less	0	0
Total paid that exceeded \$1,000	0	0
Donations:		
Total paid that were \$1,000 or less	117	150
Total paid that exceeded \$1,000	22,000	16,315

Total grants or donations	22,117	16,465
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Note 4G: Depreciation

Property and plant	10,590	4,480
Total depreciation	10,590	4,480

Note 4H: Legal costs

Litigation	0	0
Other legal matters	13,212	6,498
Total legal costs	13,212	6,498

Note 4I: Net losses from sale of assets

Plant and equipment	7,478	0
Total net losses from sale of assets	7,478	0

Note 4K: Penalties

Penalties – via RO Act or RO Regulations	0	0
Total penalties	0	0

NOTE 5: CURRENT ASSETS

Note 5A: Cash and Cash Equivalents

NAB current account	196,143	73,739
NAB cash maximiser account	683,342	669,186
Cash - other	200	200
Total cash and cash equivalents	879,685	743,125

Note 5B: Trade and Other Receivables

Receivables from other reporting units

No other reporting units	0	0
Total receivables from other reporting units	0	0

Less provision for doubtful debts

No other reporting units	0	0
Total provision for doubtful debts	0	0
Receivable from other reporting units (net)	0	0

NOTE 6: NON CURRENT ASSETS

Note 6A: Plant and equipment

Plant and equipment:		
at cost	60,432	86,202
accumulated depreciation	(26,070)	(33,590)

Total plant and equipment	34,362	52,612
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Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 July

Gross book value	86,202	52,969
Accumulated depreciation	(33,590)	(29,110)

Net book value 1 July	52,612	23,859
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Additions:

By purchase	0	33,233
Depreciation expenses	(10,590)	(4,480)

Disposals:

From disposal of entities	0	0
Other	(7,660)	0

Net book value 30 June	34,362	52,612
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Net book value as of 30 June represented by:

Gross book value	60,432	86,202
Accumulated depreciation	(26,070)	(33,590)

Net book value 30 June	34,362	52,612
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NOTE 7: CURRENT LIABILITIES

Note 7A: Trade payables

Trade creditors and accruals	3,624	3,130
Subtotal trade creditors	3,624	3,130

Payables to other reporting units

None	0	0
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Subtotal payables to other reporting units	0	0
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Total trade payables	3,624	3,130
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Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries	12,694	1,775
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GST payable	12,852	4,457
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Other	2,397	1,209
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Total other payables	27,943	7,441
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NOTE 8: PROVISIONS

Note 8A: Employee Provisions

Office Holders:

Annual Leave	8,099	5,937
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Long Service Leave	5,776	4,807
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Separation and redundancies	0	0
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Other employee provisions	0	0
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Subtotal	13,876	10,744
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Employees other than office holders:

Annual Leave	25,523	22,541
Long Service Leave	37,002	18,531
Separation and redundancies	0	0
Other employee provisions	0	0
Subtotal	62,525	41,072

Total employee provisions

76,402	51,816
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Current	76,402	47,010
Non-Current	0	4,807
Total employee provisions	76,402	51,816

NOTE 9: NON-CURRENT LIABILITIES

Note 9A: Other non-current liabilities

None	0	0
Total other non-current liabilities	0	0

NOTE 10: EQUITY

Note 10A: Funds

General fund		
Balance as at start of year	763,273	511,234
Transferred to reserve	0	0
Transferred out of reserve	0	0
Total reserve	0	0
Balance as at end of year	763,273	511,234

NOTE 11: CASH FLOW

Note 11A: Cash Flow Reconciliation**Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:****Cash and cash equivalents as per:**

Cash flow statement	879,685	743,125
Balance sheet	879,685	743,125
Difference	0	0

Note 11B: Cash flow information (reporting units/controlled entities)

Cash inflows		
SDA WA Branch	2,436	2,160
Total cash inflows	2,436	2,160
Cash outflows		
SDA National Office	777,756	591,979
Total cash outflows	777,756	591,979

NOTE 12: RELATED PARTY DISCLOSURES

Note 12A: Related Party Transactions for the Reporting Period

Receipts from SDA WA Branch		
Kununurra service fee	2,436	2,160
Total	2,436	2,160
Payments to SDA National		
Affiliation fees	651,431	505,871
Levies	126,325	86,108
Total	777,756	591,979

The branch has not received any other financial support from other reporting units of the organisation.

Note 12B: Key Management Personnel Remuneration for the Reporting Period/Disclosure of Branch Officers' Remuneration

[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 12C: Transactions with Key Management Personnel and their Close Family Members

Loans to/from key management personnel		
None	0	0
Other transactions with key management personnel		
None	0	0

NOTE 13: REMUNERATION OF AUDITORS

Value of the services provided

Financial statement audit services	5,750	5,000
Other services	0	0
Total remuneration of auditors	5,750	5,000

No other services were provided by the auditors of the financial statements.

NOTE 14: DISCLOSURE IN ACCORDANCE WITH AASB 108 (ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS)

In previous reporting periods, revenue was brought to account on a cash basis. Revenue in this reporting period has been brought to account on an accrual basis. This change was required to conform to Australian Accounting Standards.

NOTE 15: 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 16: SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (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).