



4 November 2016

Ms Sonia Romeo  
Secretary/Treasurer  
Shop, Distributive and Allied Employees Association South Australian Branch  
69 Fullarton Road  
KENT TOWN SA 5067

via email: [secretary@sda.com.au](mailto:secretary@sda.com.au)

Dear Ms Romeo

**Shop, Distributive and Allied Employees Association South Australian Branch Financial Report for the year ended 30 June 2016 - [FR2016/225]**

I acknowledge receipt of the financial report for the year ended 30 June 2016 for the Shop, Distributive and Allied Employees Association South Australian Branch (**the reporting unit**). The financial report was lodged with the Fair Work Commission (**FWC**) on 28 October 2016.

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 2017 may be subject to an advanced compliance review.

**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 the matters raised in 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](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

**Shop Distributive & Allied Employees Association South Australian Branch  
s.268 Fair Work (Registered Organisations) Act 2009  
Certificate by Prescribed Designated Officer  
Certificate for the period ended 30 June 2016**

I, Sonia Romeo, being Branch Secretary of the Shop Distributive & Allied Employees Association South Australian Branch certify:

- the documents lodged herewith are copies of the full report for the Shop Distributive & Allied Employees Association South Australian Branch for the period ended 30 June 2016 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and

- the full report was made available to members on the 4th day of October 2016; and

- the full report was presented to a general meeting of members of the reporting unit on 26 October 2016 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:



Name of prescribed designated officer: Sonia Romeo

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

Dated: 26 October 2016

## **INDEPENDENT AUDIT REPORT**

### **TO THE MEMBERS OF THE SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION SOUTH AUSTRALIAN BRANCH**

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

#### **Report on the Financial Report**

I have audited the accompanying 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 2016, 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 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.

**GEOFF SNOWBALL**  
*Chartered Accountant*

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Kent Town SA 5067*

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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Independence**

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

### **Auditor's Opinion**

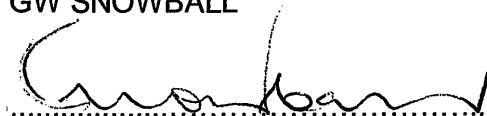
In my opinion the financial report presents fairly, in all material respects, the financial position of the Shop Distributive & Allied Employees Association South Australian Branch as at 30 June 2016 and of its financial performance and cash flows for the year then ended in accordance with Australian 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 2016 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) I have obtained all information and explanations required in accordance with Section 257(2) of the Fair Work (Registered Organisations) Act 2009

**NAME OF FIRM:** GW SNOWBALL



**NAME OF PARTNER:** GEOFFREY WALTER SNOWBALL  
Registered Company Auditor 5564

**DATE:** 26th September 2016

**Shop Distributive and Allied Employees' Association South Australian Branch**

**COMMITTEE OF MANAGEMENT STATEMENT**


*for the period ended 30 June 2016*

On 21 September 2016 the Committee of Management of the Shop Distributive and Allied Employees' Association South Australian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2016:

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: Sonia Romeo Secretary/Treasurer

Dated: 21 September 2016

**Shop Distributive and Allied Employees' Association South Australian Branch**

**OPERATING REPORT**

*for the period ended 30 June 2016*

The committee presents its report on the reporting unit for the financial year ended 30 June 2016.

**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.

We are in ongoing negotiations for new Enterprise Agreements for several companies and have secured wage increases for over 16,000 members.

Despite an overall reduction of retail staffing numbers in certain companies and the announced closure of several companies, we maintain our emphasis on recruitment to ensure improvements to the wages and conditions of members.

The association continues to advocate for the best interest of members by running relevant campaigns. The SDA is running an ongoing campaign to Protect Penalty Rates in the Retail Award, which has included submissions to the Fair Work Commission and the Productivity Commission Review.

**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 South Australian Branch Rules.

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

None

**Number of members**

28,133

**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)  
Adam Izzo (Committee Member)  
Roger Nicholls (Committee Member)  
Robert O'Rielly (Committee Member)  
Anne Revell (Vice President)  
Lyn Rivers (President)

Part year

Lyn Barr (Committee Member) 1 July 2015 to 18 May 2016  
Peter Malinauskas (Secretary/Treasurer) 1 July 2015 to 1 December 2015  
Leanne Mason (Committee Member) 15 June 2016 to 30 June 2016  
Joshua Peak (Assistant Secretary) 14 December 2015 to 30 June 2016  
Sonia Romeo (Assistant Secretary) 1 July 2015 to 14 December 2015  
Sonia Romeo (Secretary/Treasurer) 14 December 2015 to 30 June 2016

Signature of designated officer:



Name and title of designated officer: Sonia Romeo Secretary/Treasurer

Dated: 21 September 2016

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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016**

	Notes	2016 \$	2015 \$
<b>Revenue</b>			
Members subscriptions		847,278	819,827
Capitation fees	3A	0	0
Affiliation fees	3B	585,107	582,416
Levies	3C	118,066	112,954
Interest	3D	10,429	14,235
Other revenue		17,027	7,374
<b>Total revenue</b>		<b>1,577,907</b>	<b>1,536,806</b>
<b>Other income</b>			
Grants and/or donations	3E	0	0
<b>Total other income</b>		<b>0</b>	<b>0</b>
<b>Total income</b>		<b>1,577,907</b>	<b>1,536,806</b>
<b>Expenses</b>			
Employee expenses	4A	344,662	334,779
Capitation fees	4B	0	0
Affiliation fees	4C	663,927	661,106
Administration expenses	4D	375,613	319,501
Grants and/or donations	4E	52,080	22,117
Depreciation	4F	8,770	10,590
Legal costs	4G	7,666	13,212
Audit fees	14	5,750	5,750
Net losses from sale of assets	4H	0	7,478
Other expenses	4I	167,060	88,072
<b>Total expenses</b>		<b>1,625,528</b>	<b>1,462,604</b>
<b>Profit/(loss) for the year</b>		<b>(47,622)</b>	<b>74,202</b>
<b>Other comprehensive income</b>			
Other comprehensive income		0	0
<b>Total comprehensive income for the year</b>		<b>(47,622)</b>	<b>74,202</b>

The above statement should be read in conjunction with the notes



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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016**

	Notes	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	779,732	879,685
Trade and other receivables	5B	72,842	31,397
<b>Total Current Assets</b>		<b>852,574</b>	<b>911,082</b>
<b>Non-Current Assets</b>			
Plant and equipment	6A	38,159	34,362
<b>Total Non-Current Assets</b>		<b>38,159</b>	<b>34,362</b>
<b>Total Assets</b>		<b>890,733</b>	<b>945,445</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	20,031	3,624
Other payables	7B	11,421	27,943
Employee provisions	8A	69,427	76,402
<b>Total Current Liabilities</b>		<b>100,879</b>	<b>107,969</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	0	0
<b>Total Non-Current Liabilities</b>		<b>0</b>	<b>0</b>
<b>Total Liabilities</b>		<b>100,879</b>	<b>107,969</b>
<b>Net Assets</b>		<b>789,854</b>	<b>837,476</b>
<b>EQUITY</b>			
General funds	10A	837,476	763,273
Profit/(Loss)		(47,622)	74,202
<b>Total Equity</b>		<b>789,854</b>	<b>837,476</b>

The above statement should be read in conjunction with the notes

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2016**

	Notes	General funds	Retained earnings	Total equity
<b>Balance at 1 July 2013</b>		481,311	0	481,311
Adjustment for errors		0	0	0
Adjustment from changes in accounting policies		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
<b>Closing balance at 30 June 2014</b>		<b>763,273</b>	<b>0</b>	<b>763,273</b>
<b>Balance at 1 July 2014</b>		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
<b>Closing balance at 30 June 2015</b>		<b>837,476</b>	<b>0</b>	<b>837,476</b>
<b>Balance at 1 July 2015</b>		837,476	0	837,476
Adjustment for errors		0	0	0
Adjustment fro changes in accounting policies		0	0	0
Profit for the year		(47,622)	0	(47,622)
Other comprehensive income for the year		0	0	0
Transfer to/from fund(s)		0	0	0
Transfer from retained earnings		0	0	0
<b>Closing balance at 30 June 2016</b>		<b>789,854</b>	<b>0</b>	<b>789,854</b>

The above statement should be read in conjunction with the notes

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

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entities	11B	4,565	2,436
Interest		10,429	14,235
Other		1,562,912	1,520,136
<b>Cash used</b>			
Employees		(344,662)	(334,779)
Suppliers		(483,583)	(287,892)
Payments to other reporting units/controlled entity(s)	11B	(837,048)	(777,756)
<b>Net cash from (used by) operating activities</b>	11A	<b>(87,387)</b>	<b>136,378</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		0	182
Other		0	0
<b>Cash used</b>			
Purchase of plant and equipment		(12,566)	0
Other		0	0
<b>Net cash from (used by) investing activities</b>	11A	<b>(12,566)</b>	<b>182</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity		0	0
Other		0	0
<b>Cash used</b>			
Repayment of borrowings		0	0
Other		0	0
<b>Net cash from (used by) financing activities</b>		<b>0</b>	<b>0</b>
<b>Net increase (decrease) in cash held</b>		<b>(99,953)</b>	<b>136,560</b>
Cash and cash equivalents at the beginning of the reporting period		<b>879,685</b>	<b>743,125</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	5A	<b>779,732</b>	<b>879,685</b>

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 2016**

	2016	2015
	\$	\$
<b>Cash assets in respect of recovered money at beginning of year</b>	<u>-</u>	<u>-</u>
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	<u>-</u>	<u>-</u>
<b>Total receipts</b>	<u>-</u>	<u>-</u>
<b>Payments</b>		
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	<u>-</u>	<u>-</u>
<b>Total payments</b>	<u>-</u>	<u>-</u>
<b>Cash assets in respect of recovered money at end of year</b>	<u>-</u>	<u>-</u>
Number of workers to which the monies recovered relates	-	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	-	-
<b>Fund or account operated for recovery of wages</b>		
Account name	-	-

The above statement should be read in conjunction with the notes

## **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 Australian 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 Significant accounting judgments and estimates**

The preparation of financial statements requires the Branch to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

### **1.4 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**

There were no 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 the Branch.

### **1.5 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.

## **1.6 Gains**

### ***Sale of assets***

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

## **1.7 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.

## **1.8 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.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees

affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

## **1.9 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.

## **1.10 Financial instruments**

Financial assets and financial liabilities are recognised when the Shop Distributive and Allied Employees' Association South Australian Branch 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.

## **1.11 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 re-measurement 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.

### ***De-recognition 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.

## **1.12 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 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.

### ***De-recognition 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.

## **1.13 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 Shop Distributive and Allied Employees' Association South Australian Branch intangible assets are:

	<b>2016</b>	2015
Intangibles	<b>2 to 5 years</b>	2 to 5 years

### ***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.

#### **1.14 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 Shop Distributive and Allied Employees' Association South Australian Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

#### **1.15 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.

## **1.16 Taxation**

The Shop Distributive and Allied Employees' Association South Australian 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.

## **1.17 Fair value measurement**

The Shop Distributive and Allied Employees' Association South Australian 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.

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 Australian 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 and Allied Employees' Association South Australian 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 Australian 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.

#### 1.18 Going concern

Shop Distributive and Allied Employees' Association South Australian Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

#### Note 2: Events after the reporting period

There were no events that occurred after 30 June 2016, 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 Australian Branch.

	2016 \$	2015 \$
<b>Note 3A: Capitation fees</b>		
None	0	0
<b>Total capitation fees</b>	<u>0</u>	<u>0</u>
<b>Note 3B: Affiliation fees</b>		
Shop Distributive & Allied Employees Association South Australia Branch	585,107	582,416
<b>Total affiliation fees</b>	<u>585,107</u>	<u>582,416</u>

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Note 3C: Levies</b>		
SDA International Fund Levy received from Shop Distributive & Allied Employees' Association South Australia Branch	87,766	87,362
ACTU IR Campaign Levy received from Shop Distributive & Allied Employees' Association South Australia Branch	25,734	25,592
Kununurra service fee from Shop Distributive & Allied Employees' Association Western Australian Branch	2,401	0
Refund of Thomson Reuters subscription received from Shop Distributive & Allied Employees' Association National Office	2,164	0
<b>Total levies</b>	<b>118,066</b>	<b>112,954</b>

**Note 3D: Interest**

Deposits	10,429	14,235
None	0	0
<b>Total interest</b>	<b>10,429</b>	<b>14,235</b>

**Note 3E: Grants and/or donations**

None	0	0
<b>Total grants and/or donations</b>	<b>0</b>	<b>0</b>

	2016	2015
	\$	\$
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses</b>		
(a) Holders of office		
Wages and salaries	41,024	29,233
Superannuation	4,367	3,447
Leave and other entitlements	1,143	4,010
Separation and redundancies	0	0
Other employee expenses	0	0
<b>Subtotal employee expenses holders of office</b>	<b>46,534</b>	<b>36,690</b>
(b) Employees other than holders of office		
Wages and salaries	248,770	240,326
Superannuation	34,020	26,880
Leave and other entitlements	15,338	30,883
Separation and redundancies	0	0
Other employee expenses	0	0
<b>Subtotal employee expenses other than holders of office</b>	<b>298,128</b>	<b>298,089</b>
<b>Total employee expenses</b>	<b>344,662</b>	<b>334,779</b>
<b>Note 4B: Capitation fees</b>		
None	0	0
<b>Total capitation fees</b>	<b>0</b>	<b>0</b>
<b>Note 4C: Affiliation fees</b>		
ALP NT Branch	10,963	9,675
Shop Distributive and Allied Employees Association National Office	652,964	651,431
<b>Total affiliation fees</b>	<b>663,927</b>	<b>661,106</b>
<b>Note 4D: Administration expenses</b>		
Consideration to employers for payroll deductions	76,915	73,407
Compulsory levies		
International Fund levy paid to Shop Distributive and Allied Employees Association International Fund	97,945	97,715
ALP 2016 Election Donation paid to Shop Distributive and Allied Employees' Association National Office	33,907	0



	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
ACTU IR Campaign levy paid to Shop Distributive and Allied Employees Association National Office	28,912	28,611
National Intranet Management levy paid to Shop Distributive and Allied Employees Association National Office	14,242	0
100% Pay 2015 Week of Action levy paid to Shop Distributive and Allied Employees Association National Office	7,049	0
Thomson Reuters subscription paid to Shop Distributive and Allied Employees Association National Office	1,757	0
Northern Territory United Trades and Labour Council	2,000	0
Specialist News subscription paid to Shop Distributive and Allied Employees Association National Office	273	0
Fees/allowances –meetings and conferences	16,761	17,391
Conference and meeting expenses	23,753	29,020
Office expenses	72,100	73,357
<b>Total administration expenses</b>	<b>375,613</b>	<b>319,501</b>

**Note 4E: Grants or donations**

Grants:

Total paid that were \$1,000 or less	0	0
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Total paid that exceeded \$1,000	0	0
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Donations:

Total paid that were \$1,000 or less	80	117
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Total paid that exceeded \$1,000	52,000	22,000
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<b>Total grants or donations</b>	<b>52,080</b>	<b>22,117</b>
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**Note 4F: Depreciation**

Depreciation - Property and plant	8,770	10,590
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<b>Total depreciation</b>	<b>8,770</b>	<b>10,590</b>
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	2016	2015
	\$	\$
<b>Note 4G: Legal costs</b>		
Litigation	0	0
Other legal matters	7,666	13,212
<b>Total legal costs</b>	<b>7,666</b>	<b>13,212</b>

**Note 4H: Net losses from sale of assets**

Plant and equipment	0	7,478
<b>Total net losses from sale of assets</b>	<b>0</b>	<b>7,478</b>

**Note 4I: Other expenses**

Advertising	8,775	0
Consultants fees	11,800	0
Entertainment	20,379	15,235
Member recreation	69,298	47,183
Payroll tax	13,133	11,468
Penalties – via RO Act or RO Regulations	0	0
Staff recruitment	18,122	0
Other	25,552	14,186
<b>Total other expenses</b>	<b>167,060</b>	<b>88,072</b>

**Note 5: Current assets**

**Note 5A: Cash and Cash Equivalents**

NAB current account	15,835	196,143
NAB cash maximiser account	763,697	683,342
Cash - other	200	200
<b>Total cash and cash equivalents</b>	<b>779,732</b>	<b>879,685</b>

	2016	2015
	\$	\$
<b>Note 5B: Trade and Other Receivables</b>		
<b>Receivables from other reporting units</b>		
None	0	0
<b>Total receivables from other reporting units</b>	<b>0</b>	<b>0</b>
<b>Less provision for doubtful debts</b>		
None	0	0
<b>Total provision for doubtful debts</b>	<b>0</b>	<b>0</b>
<b>Receivable from other reporting units (net)</b>	<b>0</b>	<b>0</b>
<b>Other receivables:</b>		
GST receivable from the Australian Taxation Office	6,622	2,854
Other trade receivables	66,220	28,543
<b>Total other receivables</b>	<b>72,842</b>	<b>31,397</b>
<b>Total trade and other receivables (net)</b>	<b>72,842</b>	<b>31,397</b>

**Note 6: Non-current assets**

**Note 6A: Plant and equipment**

Plant and equipment:		
at cost	72,999	60,432
accumulated depreciation	(34,840)	(26,070)
<b>Total plant and equipment</b>	<b>38,159</b>	<b>34,362</b>

**Reconciliation of the Opening and Closing Balances of Plant and Equipment**

<b>As at 1 July</b>		
Gross book value	60,432	86,202
Accumulated depreciation	(26,070)	(33,590)
<b>Net book value 1 July</b>	<b>34,362</b>	<b>52,612</b>
Additions:		
By purchase	0	0
Depreciation expenses	(8,770)	(10,590)
Disposals:		
From disposal of entities	0	0
Other	0	(7,660)
<b>Net book value 30 June</b>	<b>38,159</b>	<b>34,362</b>
	<b>2016</b>	<b>2015</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	72,999	60,432
Accumulated depreciation	(34,840)	(26,070)
<b>Net book value 30 June</b>	<b>38,159</b>	<b>34,362</b>

	2016	2015
	\$	\$

**Note 7: Current liabilities**

**Note 7A: Trade payables**

Trade creditors and accruals	20,031	3,624
<b>Subtotal trade creditors</b>	<b>20,031</b>	<b>3,624</b>

Payables to other reporting units		
None	0	0
<b>Subtotal payables to other reporting units</b>	<b>0</b>	<b>0</b>

<b>Total trade payables</b>	<b>20,031</b>	<b>3,624</b>
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Settlement is usually made within 30 days.

**Note 7B: Other payables**

Wages and salaries	8,837	12,694
Superannuation	1,582	0
Consideration to employers for payroll deductions	6,123	2,634
Legal costs		
Litigation	0	0
Other legal matters	0	0
GST payable	(5,120)	(1,156)
Other	0	13,771
<b>Total other payables</b>	<b>11,421</b>	<b>27,943</b>

Total other payables are expected to be settled in:

No more than 12 months	11,421	27,943
More than 12 months	0	0
<b>Total other payables</b>	<b>11,421</b>	<b>27,943</b>

	2016	2015
	\$	\$
<b>Note 8: Provisions</b>		
<b>Note 8A: Employee Provisions</b>		
<b>Office Holders:</b>		
Annual Leave	928	8,099
Long Service Leave	0	5,776
Separation and redundancies	0	0
Other employee provisions	0	0
<b>Subtotal employee provisions – office holders</b>	<b>928</b>	<b>13,876</b>
<b>Employees other than office holders:</b>		
Annual Leave	32,836	25,523
Long Service Leave	35,662	37,002
Separation and redundancies	0	0
Other employee provisions	0	0
<b>Subtotal</b>	<b>68,498</b>	<b>65,525</b>
	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Total employee provisions</b>	<b>68,498</b>	<b>76,402</b>
Current	69,427	76,402
Non-Current	0	0
<b>Total employee provisions</b>	<b>69,427</b>	<b>76,402</b>
<b>Note 9: Non-current liabilities</b>		
<b>Note 9A: Other non-current liabilities</b>		
None	0	0
<b>Total other non-current liabilities</b>	<b>0</b>	<b>0</b>
<b>Note 10: Equity</b>		
<b>Note 10A: Funds</b>		
General	789,854	837,476
Reserve	0	0
<b>Total funds</b>	<b>789,854</b>	<b>837,476</b>

	2016	2015
	\$	\$

**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	779,732	879,685
Balance sheet	779,732	879,685
<b>Difference</b>	<b>0</b>	<b>0</b>

**Reconciliation of profit/(deficit) to net cash from operating activities**

Profit/(deficit) for the year	(36,396)	74,202
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**Adjustments for non-cash items**

Depreciation	8,770	10,590
Net write-down of non-financial assets	(12,566)	182
Gain on disposal of assets	0	7,478

**Changes in assets/liabilities**

(Increase)/decrease in net receivables	(41,445)	(1,473)
(Increase)/decrease in prepayments	0	0
Increase/(decrease) in supplier payables	(10,534)	20,996
Increase/(decrease) in other payables	0	0
Increase/(decrease) in employee provisions	(7,782)	24,585
Increase/(decrease) in other provisions	0	0

<b>Net cash from (used by) operating activities</b>	<b>(99,953)</b>	<b>136,560</b>
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**Note 11B: Cash flow information**

**Cash inflows**

Shop Distributive & Allied Employees' Association National Office	4,565	2,890
<b>Total cash inflows</b>	<b>4,565</b>	<b>2,890</b>

**Cash outflows**

Shop Distributive & Allied Employees' Association National Office	837,048	777,756
<b>Total cash outflows</b>	<b>837,048</b>	<b>777,756</b>

**Note 12: Contingent Liabilities, Assets and Commitments**

There are no known contingent liabilities, assets and commitments at the close of the financial year

### Note 13: Related party disclosures

#### Note 13A: Related party transactions for the reporting period

The following tables provide the total amount of transactions that have been entered into with related parties for the relevant year.

The Shop Distributive & Allied Employees' Association National Office and the reporting entity are members of the same group.

	<b>2016</b>	<b>2015</b>
	\$	\$
Revenue received from Shop Distributive & Allied Employees' Association National Office		
Refund of Thomson Reuters subscription	2,164	0
<b>Total</b>	<b>2,164</b>	<b>0</b>

#### Expenses paid to Shop Distributive & Allied Employees' Association National Office

Affiliation fees	652,964	651,431
Levies	184,084	126,325
<b>Total</b>	<b>837,048</b>	<b>777,756</b>

The Shop Distributive & Allied Employees' Association South Australian Branch (State Registration) and the reporting entity currently have common key management personnel (President, Secretary/Treasurer and Assistant Secretary).

#### Revenue received from Shop Distributive & Allied Employees' Association South Australian Branch (State Registration)

Affiliation fees	643,618	640,658
Levies	96,543	124,250
Other receipts	0	870
<b>Total</b>	<b>740,161</b>	<b>765,778</b>

#### Expenses paid to Shop Distributive & Allied Employees' Association National Office

Entertainment	4,730	0
Office Equipment	600	0
Rent	54,859	54,155
Other expenses	5,417	0
<b>Total</b>	<b>65,606</b>	<b>54,155</b>

#### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2016, the Shop Distributive and Allied Employees' Association South Australian Branch has not recorded any impairment of receivables relating to

amounts owed by related parties and declared person or body (2015: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Note 13B: Key Management Personnel Remuneration for the Reporting Period</b>		
<b>Short-term employee benefits</b>		
Salary (including leave taken)	41,024	29,232
Annual leave accrued	1,205	2,162
Performance bonus	0	0
<b>Total short-term employee benefits</b>	<b>42,229</b>	<b>31,394</b>
<b>Post-employment benefits</b>		
Superannuation	4,367	3,447
<b>Total post-employment benefits</b>	<b>4,367</b>	<b>3,447</b>
	<b>2016</b>	<b>2015</b>
<b>Other long-term benefits</b>		
Long-service leave accrued	(648)	970
<b>Total other long-term benefits</b>	<b>(648)</b>	<b>970</b>
<b>Termination benefits</b>	<b>0</b>	<b>0</b>
<b>Total termination benefits</b>	<b>0</b>	<b>0</b>
<b>Total key management personnel remuneration</b>	<b>45,948</b>	<b>35,811</b>



**Note 13C**

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

**Note 13D: Transactions with Key Management Personnel and their Close Family Members**

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

	2016	2015
	\$	\$
<b>Note 14: Remuneration of auditors</b>		
<b>Value of the services provided</b>		
Financial statement audit services	5,750	5,750
<b>Total remuneration of auditors</b>	<u>5,750</u>	<u>5,750</u>

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

**NOTE 15: Financial Risk Management**

**a. Financial Risk Management Policies**

The entity's financial instruments consist of deposits with banks, short-term investments, and accounts receivable and payable.

The entity does not have any derivative instruments at 30 June 2016.

- i. Treasury Risk Management
- ii. Treasury management includes management of the Association's holdings, with the ultimate goal of managing the Association's liquidity and mitigating its operational, financial and reputational risk. Treasury Management includes collections, disbursements, concentration, investment and funding activities. Treasury risk management is reviewed on a regular basis.

ii. Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

**Foreign currency risk**

The entity is not exposed to fluctuations in foreign currencies.

**Liquidity risk**

Liquidity risk is the risk that the Branch may encounter difficulties raising funds to meet commitments associated with financial instruments. The entity manages liquidity risk by monitoring forecast cash flows.

**Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

There is no material amounts of collateral held as security at 30 June 2016.

Credit risk is managed by the entity and reviewed regularly by the finance committee. It arises from exposures to customers as well as through deposits with financial institutions.

The entity monitors the credit risk by actively assessing the rating quality and liquidity of counterparties:

- Only banks and financial institutions with an 'A' rating are utilised.
- The credit standing of counterparties is reviewed monthly for liquidity and credit risk.

b. Financial Instruments Composition and Sensitivity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Floating Interest Rate		Fixed Interest Rate		Non-interest Bearing		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial assets</b>								
Cash at bank	-	-	15,835	196,143	-	-	15,835	196,143
Trade and other receivables	-	-	-	-	72,842	31,397	72,842	31,397
Investments	763,697	683,342	-	-	-	-	763,697	683,342
Other	-	-	-	-	200	200	200	200
<b>Total financial assets</b>	<b>763,697</b>	<b>683,342</b>	<b>15,835</b>	<b>196,143</b>	<b>73,042</b>	<b>31,597</b>	<b>852,574</b>	<b>911,082</b>
<b>Financial liabilities</b>								
Trade and sundry payables	-	-	-	-	100,879	107,969	100,879	107,969
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,879</b>	<b>107,969</b>	<b>100,879</b>	<b>107,969</b>

Sensitivity analysis:

Interest rate risk

The branch has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2016, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2016	2015
	\$	\$
<b>Change in profit</b>		
- Increase in interest rate by 2%	15,591	17,590
- Decrease in interest rate by 2%	(15,591)	(17,590)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged. No sensitivity analysis has been performed for foreign exchange risk, as the branch is not exposed to fluctuations in foreign exchange.

c. Financing arrangements

The Branch has no financing facilities at the end of the reporting period.

**Note 16 Administration of financial affairs by a third party**

**Name of entity providing service:** Shop Distributive and Allied Employees' Association South Australian Branch (State Registration)

**Nature of consultancy service:** Managing financial affairs including preparation of financial statements.

**Terms and conditions:** Service provided without charge

**Note 17 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).



15 July 2016

Mr Peter Malinauskas  
Secretary/Treasurer  
Shop, Distributive and Allied Employees Association-South Australian Branch  
By email: [secretary@sda.com.au](mailto:secretary@sda.com.au)

Dear Mr Malinauskas,

**Re: Lodgement of Financial Report - [FR2016/225]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Shop, Distributive and Allied Employees Association-South Australian Branch (the reporting unit) ended on 30 June 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

### **Timelines**

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

### **Fact sheets, guidance notes and model statements**

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

### **Loans, grants and donations: our focus this year**

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

11 Exhibition Street  
Melbourne VIC 3000  
GPO Box 1994  
Melbourne VIC 3001

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)

## Civil penalties may apply

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

## Contact

Should you wish to seek any clarification in relation to the above, email [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

Yours sincerely,

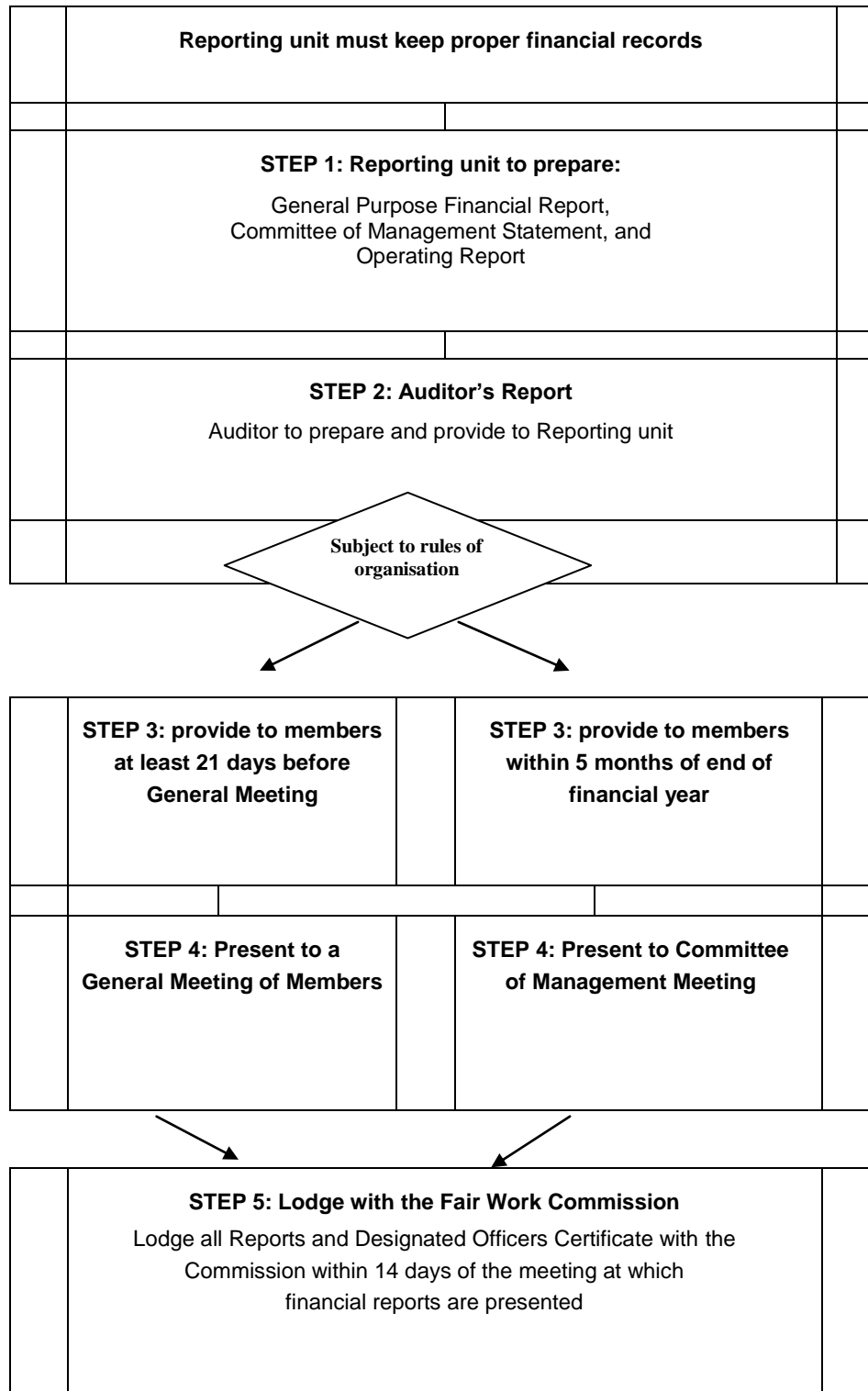


Annastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch

# Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



# Fact Sheet - Loans, Grants & Donations

## The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

## The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:

the amount,

the purpose,

the security (if it is a loan),

the name and address of the person to whom it was made,\* and







the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

## Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.



## Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

### Note 4E: Grants or donations\*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>-</b>	<b>-</b>

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

### Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)