



3 December 2020

Joshua Peak
Branch Secretary/Treasurer
Shop, Distributive and Allied Employees Association-South Australian Branch

Sent via email: josh.peak@sda.com.au
CC: tim@galpins.com.au

Dear Joshua Peak,

**Shop, Distributive and Allied Employees Association-South Australian Branch
Financial Report for the year ended 30 June 2020 – (FR2020/137)**

I acknowledge receipt of the financial report for the year ended 30 June 2020 for the Shop, Distributive and Allied Employees Association-South Australian Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 24 November 2020.

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 2021 may be subject to an advanced compliance review.

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

General purpose financial report (GPFR)

Partial disclosure – New Australian Accounting Standard

Note 1.4 *New Australian Accounting Standards* to the GPFR states that Australian Accounting Standard AASB 15 *Revenue from Contracts with Customers* has been adopted. However, the accounting policies disclosed in notes 1.6 *Revenue* to the GPFR do not appear to have been updated to reflect these new standards, nor does it appear that the disclosures required by this standard have been included in the GPFR.

Please note that in future years the reporting unit's GPFR must include all relevant and required financial disclosures in accordance with AASB 15.

Registered auditor's details

Item 29(b) of the reporting guidelines states that the auditor's statement must specify the registered auditor's name and registration number. The auditor's statement provided states the name of the registered auditor but not the registration number granted by the ROC.

Please ensure that in future years the auditor's statement includes both the name and registration number of the registered auditor.

Reporting Requirements

The ROC website provides factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at kylie.ngo@roc.gov.au.

Yours sincerely,



Kylie Ngo
Registered Organisations Commission

Shop Distributive and Allied Employees Association
South Australian Branch (Federal Body)

Financial Report for the year ended 30 June 2020

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH (FEDERAL BODY)**

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

CERTIFICATE FOR THE YEAR ENDED 30 JUNE 2020

I, Joshua Peak being the Secretary/Treasurer of the Shop Distributive and Allied Employees Association South Australian Branch certify:

- that the documents lodged herewith are copies of the full report for the Shop Distributive and Allied Employees Association South Australian Branch for the period ended 30 June 2020 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 19 November 2020; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 19 November 2020 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer: Joshua Peak

Title of prescribed designated officer: Branch Secretary/Treasurer

Dated: 23/11/2020

**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH (FEDERAL BODY)**

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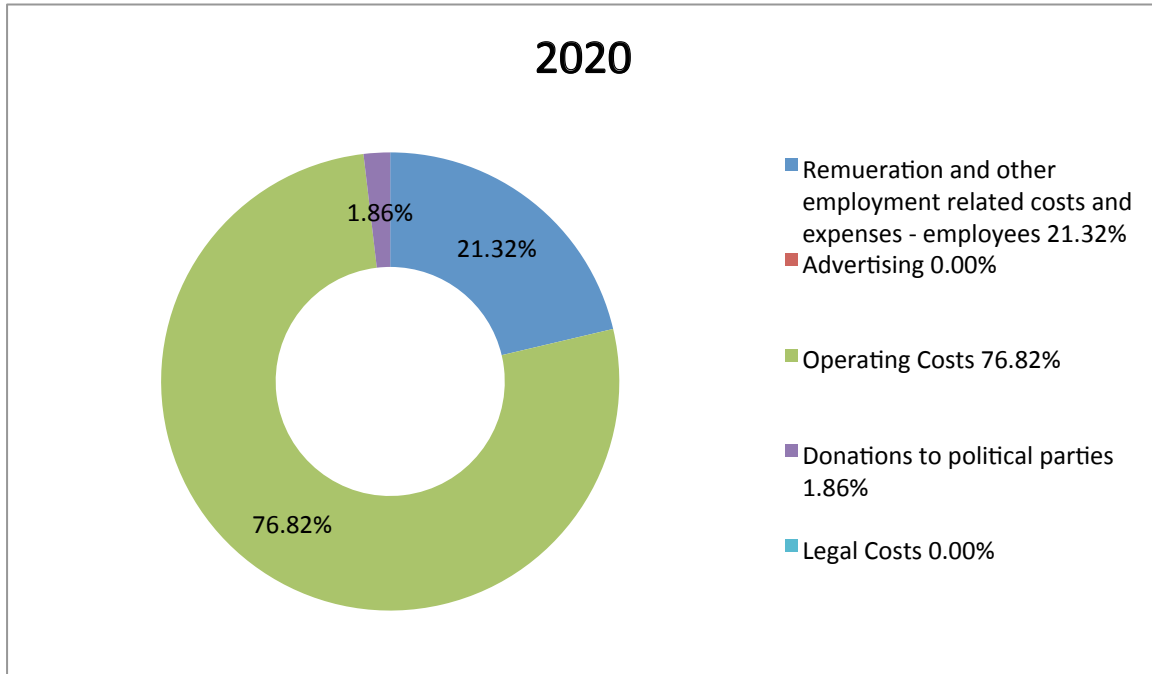
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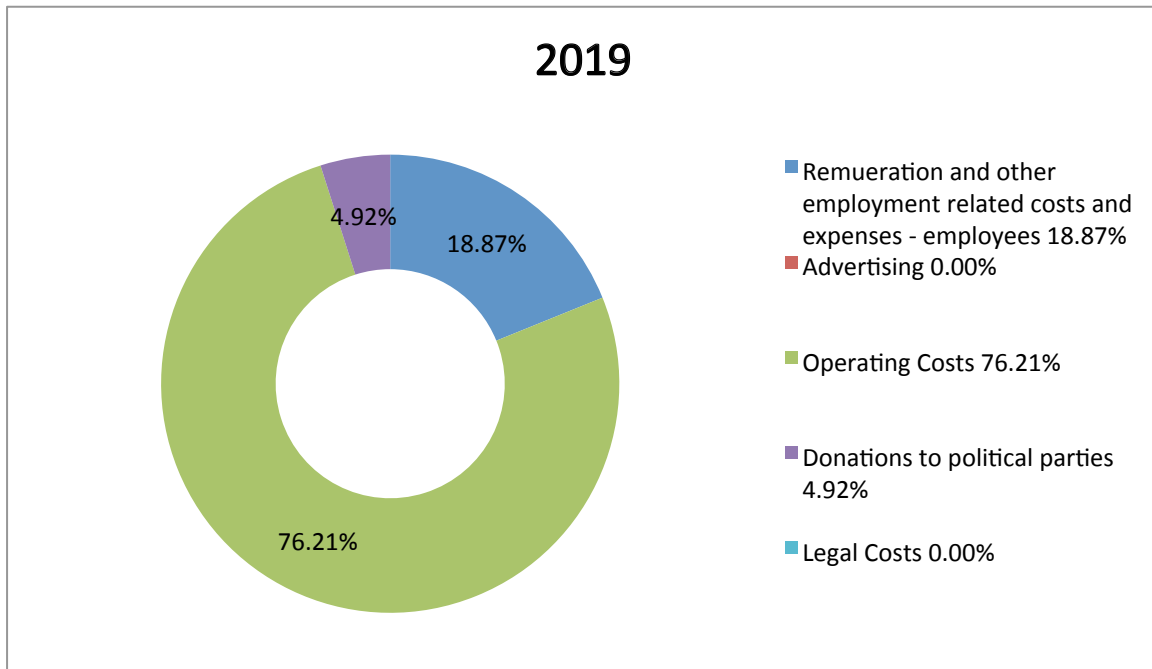
**REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2020**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2020.

2020 – Expenditure as required under s.255(2A) RO Act



2019 - Expenditure as required under s.255(2A) RO Act



Signature of designated officer: _____

Name and title of designated officer: Joshua Peak, Branch Secretary/Treasurer

Dated: 9th November 2020

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

The Committee of Management presents its operating report on the Reporting Unit for the financial year ended 30 June 2020.

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

The principal activities of the association are preserving and enhancing the wages and working conditions of its members, and the promotion of the interests and rights of workers. In addition to industrial representation, members are also provided with a range of services and benefits.

New enterprise agreements were negotiated with employers during the year. These agreements all resulted in improved wages and working conditions for the employees covered by them.

In 2020 during the COVID-19 pandemic, the focus of the Union has been on measures to ensure the health and safety of members at work who have continued to serve the community and also measures to ensure the economic wellbeing of members.

On Workplace Health and Safety (WHS) the union has implemented a series of 10 point COVID safety plans; taken up disputes on the efficiency of hand sanitisers; and advocated for public health measures to improve protections for workers during the pandemic.

In working for members economic wellbeing the union has been instrumental in winning JobKeeper wage subsidies for members; secured essential worker recognition payments from a range of employers; started proceedings to delay penalty rate cuts; and campaigned for pay rises to not be delayed.

Our members have served our community well during the pandemic, our union has strived to serve and support our members at this time and be with them at work.

The Association continues to campaign on major issues that impact our members, including our 'No One Deserves a Serve' campaign aimed at preventing and eliminating customer abuse and violence in the fast food and retail industries, and our 'Stop Longer Trading Hours' campaign against the State Government's plan to deregulate shop trading hours and allow public holiday trading in South Australia.

The Association has a comprehensive training programme for Delegates conducted at the Union office and across regional South Australia, the Northern Territory and Broken Hill.

The Association has continued the important work of representing individual members in work related grievances or other individual matters.

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 or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

None

Number of members

27,954

Number of employees

6

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

Joshua Peak (Secretary/Treasurer), Sonia Romeo (Assistant Secretary), Lyn Rivers (President), Maree Appelkamp (Vice President), Anne Revell (Vice President), Adam Izzo (Committee Member), Leanne Mason (Committee Member), Roger Nicholls (Committee Member), Tara O'Malley (Committee Member), and Robert O'Rielly (Committee Member).

Signature of designated officer:

A handwritten signature in black ink, appearing to be 'J. Peak', written over a horizontal line.

Name and title of designated officer: Joshua Peak, Branch Secretary/Treasurer

Dated: 9th November 2020

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

On 9 November 2020 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 2020:

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (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 Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; 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.

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

Signature of designated officer:



Name and title of designated officer: Joshua Peak, Branch Secretary/Treasurer.

Dated: 9th November 2020

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

OFFICER DECLARATION STATEMENT

I, Joshua Peak, being the Branch Secretary/Treasurer of the Shop Distributive and Allied Employees Association South Australian Branch, declare that the following activities did not occur during the reporting period ending 30 June 2020:

Nil return - all items are included in the financial reports and accompanying notes

Signature of officer:

A handwritten signature in black ink, appearing to be 'J. Peak', written over a horizontal line.

Dated: 9th November 2020

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 \$	2019 \$
Revenue			
Members subscriptions		894,613	821,225
Capitation fees and other revenue from another reporting unit	3A	0	0
Affiliation income	3B	720,340	720,340
Levies	3C	0	132,890
Investment income	3D	16,339	25,685
Other revenue		73,027	8,328
Total revenue		<u>1,704,319</u>	<u>1,708,469</u>
Other income			
Grants and/or donations	3E	0	215
Net gain from sale of assets	3F	0	0
Revenue from recovery of wages activity	3G	0	0
Total other income		<u>0</u>	<u>215</u>
Total income		<u><u>1,704,319</u></u>	<u><u>1,708,684</u></u>
Expenses			
Employee expenses	4A	343,248	283,428
Capitation fees and other expenses to another reporting unit	4B	0	0
Affiliation fees	4C	815,819	822,062
Levies	4D	90,044	150,636
Administration expenses	4E	190,757	95,329
Grants or donations	4F	30,000	74,864
Depreciation and amortisation	4G	4,046	0
Legal costs	4H	0	0
Audit fees	14	6,250	6,000
Other expenses	4J	129,973	69,575
Total expenses		<u>1,610,137</u>	<u>1,501,894</u>
Surplus/(deficit) for the year		94,182	206,790
Other comprehensive income		0	0
Total comprehensive income for the year		<u><u>94,182</u></u>	<u><u>206,790</u></u>

The above statement should be read in conjunction with the notes

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	1,588,628	1,487,150
Trade and other receivables	5B	16,272	52,728
Total current assets		<u>1,604,900</u>	<u>1,539,877</u>
Non-Current Assets			
Fixed Assets	6	38,161	0
Total non-current assets		<u>38,161</u>	<u>0</u>
Total assets		<u>1,643,061</u>	<u>1,539,877</u>
LIABILITIES			
Current Liabilities			
Trade payables	7A	0	2,405
Other payables	7B	7,120	8,586
Employee provisions	8A	89,147	76,275
Total current liabilities		<u>96,267</u>	<u>87,266</u>
Non-current liabilities			
Employee provisions	9A	0	0
Total non-current liabilities		<u>0</u>	<u>0</u>
Total Liabilities		<u>96,267</u>	<u>87,266</u>
Net assets		<u>1,546,794</u>	<u>1,452,612</u>
EQUITY			
General funds	10	1,546,794	1,452,612
Total equity		<u>1,546,794</u>	<u>1,452,612</u>

The above statement should be read in conjunction with the notes

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	General Funds \$	Retained Earnings \$	Total Equity \$
Balance as at 1 July 2017	10A	939,458	0	939,458
Adjustments for errors		0	0	0
Adjustment for changes in accounting policies		0	0	0
Profit for the year		306,364	0	306,364
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 as at 30 June 2018		1,245,822	0	1,245,822
Balance as at 1 July 2018	10A	1,245,822	0	1,245,822
Adjustments for errors		0	0	0
Adjustment for changes in accounting policies		0	0	0
Profit for the year		206,790	0	206,790
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 as at 30 June 2019		1,452,612	0	1,452,612
Balance as at 1 July 2019	10A	1,452,612	0	1,452,612
Adjustments for errors		0	0	0
Adjustment for changes in accounting policies		0	0	0
Profit for the year		94,182	0	94,182
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 as at 30 June 2020		1,546,794	0	1,546,794

The above statement should be read in conjunction with the notes

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	Notes	2020 \$	2019 \$
OPERATING ACTIVITIES			
Cash received			
Interest		16,339	25,685
Member, affiliation income and other		1,724,436	1,682,999
Cash used			
Employees		(335,085)	(283,010)
Suppliers		(367,251)	(253,439)
Payments to other reporting units/controlled entity(s)	11B	(894,754)	(959,098)
Net cash from (used by) operating activities		143,685	213,137
INVESTING ACTIVITIES			
Cash received		0	0
Proceeds from sale of plant and equipment		0	0
Other		0	0
Cash used			
Purchase of plant and equipment		(42,207)	0
Other		0	0
Net cash from (used by) investing activities		(42,207)	0
FINANCING ACTIVITIES			
Cash received		0	0
Contributed equity		0	0
Other		0	0
Cash used			
Repayment of borrowings		0	0
Other		0	0
Net cash from (used by) financing activities		0	0
Net increase (decrease) in cash held	11A	101,478	213,137
Cash and cash equivalents at the beginning of the reporting period		1,487,150	1,274,013
Cash and cash equivalents at the end of the reporting period	5A	1,588,628	1,487,150

The above statement should be read in conjunction with the notes

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

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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 judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

None

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

- AASB 15 Contracts with Customers.
- AASB 1058 Income of Not-For-Profit-Entities, which replaces in the income recognition requirements of AASB 1004 Contributions.

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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No accounting standard has been adopted earlier than the application date stated in the standard.

AASB 15 uses the terminology 'Customers' to describe the source of the revenue. The most significant source of revenue for the Shop, Distributive & Allied Employees Association S.A. Branch comes from members. The terminology 'Members' is used throughout its report in addition to 'Customers'. 'Members' pledge themselves to advance the objectives of the organisation, make financial contributions to further those objectives and receive in return the pledges of other members to provide mutual assistance consistent with the organisations objectives. Whilst in many senses the mutuality of members means they are the organisation for the purposes of the accounting standards the term 'Members' and its meaning in terms of revenue is the same as the accounting term of 'Customers' in the standard AASB15.

Impact on adoption of AASB 1058 Income of Not-For-Profit-Entities (AASB 1058)

AASB 1058 replaces the income recognition requirements in AASB 1004. Contributions that had previously applied to the Shop Distributive and Allied Employees Association South Australian Branch. AASB 1058 provides a more comprehensive model for account for income of not-for-profit entities and specifies that:

- the timing of revenue or income recognition will depend on whether a performance obligation is identified or a liability is recognised;
- not-for-profit lessees can elect to recognise assets, including leases provided at significantly less than fair value, at their fair value; and
- all not-for-profit entities can elect to recognise volunteer services at fair value if the fair value of those services can be reliably measured.

The Shop Distributive and Allied Employees Association South Australian Branch adopted AASB 1058 using the modified retrospective method of adoption, which the date of initial application of 1 July 2019. In accordance with the transition approach, Shop Distributive and Allied Employees Association South Australian Branch recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e., 1 July 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income recognition. In addition, Shop Distributive and Allied Employees Association South Australian Branch has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 July 2019.

The adoption of AASB 1058 did not have a material impact on the Shop Distributive and Allied Employees Association South Australian Branch financial statements.

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SOUTH AUSTRALIAN BRANCH

1.5 Acquisition of assets and or liabilities that do not constitute a business combination

The Shop Distributive and Allied Employees Association South Australian Branch did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

1.6 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.

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 loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

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

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.

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Provision is made for separation and redundancy benefit payments. The Shop Distributive and Allied Employees Association South Australian Branch 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 statement of financial position.

1.10 Financial instruments

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

1.11 Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Shop Distributive and Allied Employees Association South Australian Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Shop Distributive and Allied Employees Association South Australian Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Shop Distributive and Allied Employees Association South Australian Branch's business model for managing financial assets refers to how it manages its financial assets in order to

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Shop Distributive and Allied Employees Association South Australian Branch commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Shop Distributive and Allied Employees Association South Australian Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the Shop Distributive and Allied Employees Association South Australian Branch has transferred substantially all the risks and rewards of the asset, or
 - b) the Shop Distributive and Allied Employees Association South Australian Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Shop Distributive and Allied Employees Association South Australian Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

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When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Shop Distributive and Allied Employees Association South Australian Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Shop Distributive and Allied Employees Association South Australian Branch applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Shop Distributive and Allied Employees Association South Australian Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Shop Distributive and Allied Employees Association South Australian Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

1.12 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Shop Distributive and Allied Employees Association South Australian Branch's financial liabilities include trade and other payables.

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Subsequent measurement

Financial liabilities at fair value through profit or loss (including designated)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.13 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.

1.14 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.

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Cash flows are included in the statement of cash flows 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.

1.15 Fair value measurement

The Shop Distributive and Allied Employees Association South Australian Branch measures financial instruments, such as, financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, 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

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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.

1.16 Going concern

The 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.

The Shop Distributive and Allied Employees Association South Australian Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

1.17 Membership Subscriptions

Membership contributions are consideration received by the Shop, Distributive and Allied Employees' Association S.A. Branch from members in accordance with the rules that enables the entity to further its objectives as set out in the rules. The Shop, Distributive and Allied Employees' Association S.A. Branch recognises each of these amounts of consideration as income for the period of membership it represents based on the rights and obligations of members.

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2020, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Shop Distributive and Allied Employees Association South Australian Branch.

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	2020	2019
	\$	\$
Note 3 Income		
Note 3A: Capitation fees and other revenue from another reporting unit		
Capitation fees:		
None	0	0
Subtotal capitation fees	0	0
Other revenue from another reporting unit:		
None	0	0
Subtotal other revenue from another reporting unit	0	0
Total capitation fees and other revenue from another reporting unit	0	0
Note 3B: Affiliation fees		
Shop Distributive & Allied Employees Association South Australian Branch	720,340	720,340
Total affiliation fees	720,340	720,340
Note 3C: Levies		
"No one deserves a serve" campaign	0	60,028
"No one deserves a serve" Covid campaign	0	0
ALP election campaign	0	52,519
National Intranet management fee	0	3,357
National Work-IT project fee	0	15,546
Specialist News subscription	0	396
Thomson Reuters subscription	0	1,043
Total levies	0	132,890
Note 3D: Investment income		
Interest		
Deposits	16,339	25,685
Loans	0	0
Total investment income	16,339	25,685
Note 3E: Grants or donations		
Grants	0	0
Donations	0	215
Total grants or donations	0	215
Note 3F: Net gains from sale of assets		
Plant and Equipment	0	0
Total net gains from sale of assets	0	0
Note 3G: Revenue from recovery of wages activity		
Amounts recovered from employers in respect of wages	0	0
Interest received on recovered money	0	0
Total revenue from recovery of wages activity	0	0

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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	2020	2019
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses		
 Holders of office:		
Gross wages and salaries	34,350	29,255
Leave paid out	297	(1,411)
Accrued leave and other entitlements	2,550	4,892
Superannuation	5,197	4,387
Separation and redundancies	0	0
Other employee expenses	0	0
Subtotal employee expenses holders of office	42,394	37,123
Employees other than holders of office:		
Gross wages and salaries	240,532	202,084
Leave paid out	19,503	(8,238)
Accrued leave and other entitlements	10,323	19,552
Superannuation	30,446	32,490
Separation and redundancies	0	0
Other employee expenses	50	418
Subtotal employee expenses other than holders of office	300,854	246,305
Total employee expenses	343,248	283,428
Note 4B: Capitation fees and other expense to another reporting unit		
Capitation fees		
None	0	0
Subtotal capitation fees	0	0
Other expense to another reporting unit		
SDA National Office, affiliation fees	804,710	808,462
SDA National Office, levies	90,044	150,636
Subtotal other expense to another reporting unit	894,754	959,098
Total capitation fees and other revenue to another reporting unit	894,754	959,098
Note 4C: Affiliation fees		
ALP NT Branch	11,109	13,600
SDA National Office	804,710	808,462
Total affiliation fees/subscriptions	815,819	822,062

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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	2020	2019
	\$	\$
Note 4D: Levies		
(a) SDA National Office		
"No one deserves a serve" campaign	19,452	68,213
"No one deserves a serve" Covid campaign	32,100	0
ALP 2019 election donation	0	59,307
National Intranet Management fee	0	3,815
National Work-IT Project fee	19,955	17,666
Specialist News subscription	677	450
Thompson Reuters subscription	0	1,186
Atomix	17,860	0
(b) ALP NT Branch		
	0	0
Total levies	90,044	150,636

Note 4E: Administrative expenses

Total paid to employers for payroll deductions of membership subscriptions	0	4,340
Fees/allowance - meetings and conferences	55,334	23,815
Conference and meeting expenses	19,433	12,408
Office expenses	115,990	54,766
Total administration expenses	190,757	95,329

Note 4F: Grants or donations

Grants:		
Total expensed that were \$1,000 or less	0	0
Total expensed that exceeded \$1,000	0	0
Donations:		
Total expensed that were \$1,000 or less	0	955
Total expensed that exceeded \$1,000	30,000	73,909
Total grants or donations	30,000	74,864

Note 4G: Depreciation

Property Plant and Equipment	4,046	0
Total depreciation	4,046	0

Note 4H: Legal costs

Litigation	0	0
Other legal costs	0	0
Total legal costs	0	0

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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	2020	2019
	\$	\$
Note 4J: Other expenses		
Fringe benefits tax	7,428	4,493
Payroll tax	14,313	11,796
MV expenses	26,238	22,049
Penalties - via RO Act or the Fair Work Act 2009	0	0
Balance of other	81,995	31,237
Total other expenses	129,973	69,575

Note 5 Current Assets

Note 5A: Cash and cash equivalents

Cash at bank	156,251	71,028
Cash on hand	200	200
Short term deposits	1,432,177	1,415,921
Other	0	0
Total cash and cash equivalents	1,588,628	1,487,150

Note 5B: Trade and other receivables

Receivables from other reporting units

SDA SA Branch	0	0
Total receivables from other reporting units	0	0

Less allowance for expected credit losses

None	0	0
Total allowance for expected credit losses	0	0
Receivable from other reporting units (net)	0	0

Other receivables:

BAS receivable	15,137	4,793
Members subscriptions	0	47,934
Receivables	1,135	
Total other receivables	16,272	52,728
Total trade and other receivables (net)	16,272	52,728

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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Note 6 Non-current Assets

Note 6A: Property, Plant and Equipment

2020

Property, Plant and Equipment:	Land	Buildings	Plant and Equipment	PPE under operating lease	Total
	\$	\$	\$	\$	\$
fair value	0	0	42,207	0	42,207
accumulated depreciation	0	0	(4,046)	0	(4,046)
Total Property, Plant and Equipment	0	0	38,161	0	38,161

Reconciliation of opening and closing balances of property, plant and equipment

Net book value 1 July 2019	0	0	0	0	0
Additions:					
By purchase	0	0	42,207	0	42,207
Revaluations	0	0	0	0	0
Impairments	0	0	0	0	0
Depreciation expense	0	0	(4,046)	0	(4,046)
Other movement	0	0	0	0	0
Disposals:					
Other	0	0	0	0	0
Net book value 30 June 2020	0	0	38,161	0	38,161
Net book value as of 30 June 2020 represented by:					
Gross book value	0	0	42,207	0	42,207
Accumulated depreciation and impairment	0	0	(4,046)	0	(4,046)
Net book value 30 June 2020	0	0	38,161	0	38,161

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Note 6 Non-current Assets

Note 6A: Property, Plant and Equipment

2019

Property, Plant and Equipment:	Land	Buildings	Plant and Equipment	PPE under operating lease	Total
	\$	\$	\$	\$	\$
fair value	0	0	0	0	0
accumulated depreciation	0	0	0	0	0
Total Property, Plant and Equipment	0	0	0	0	0

Reconciliation of opening and closing balances of property, plant and equipment

Net book value 1 July 2018	0	0	0	0	0
Additions:					
By purchase	0	0	0	0	0
Revaluations	0	0	0	0	0
Impairments	0	0	0	0	0
Depreciation expense	0	0	0	0	0
Other movement	0	0	0	0	0
Disposals:	0	0	0	0	0
Other	0	0	0	0	0
Net book value 30 June 2019	0	0	0	0	0
Net book value as of 30 June 2019 represented by:	0	0	0	0	0
Gross book value	0	0	0	0	0
Accumulated depreciation and impairment	0	0	0	0	0
Net book value 30 June 2019	0	0	0	0	0

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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	2020	2019
	\$	\$
Note 6C: Intangibles		
None	0	0
Total intangibles	0	0
Total non-current assets	38,161	0

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	0	2,405
Subtotal trade creditors	0	2,405

Payables to other reporting units

None	0	0
Subtotal payables to other reporting units	0	0

Total trade payables

	0	2,405
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Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries	0	8,276
Superannuation	4,483	916
Payable to employers for making payroll deductions of membership subscriptions	0	234
Payroll tax	2,593	2,260
Legal costs		
Litigation	0	0
Other legal costs	0	0
Prepayments received/unearned revenue	0	0
Fringe benefits tax	0	418
GST payable	0	(3,517)
Other	44	0
Total other payables	7,120	8,586

Total other payables are expected to be settled in:

No more than 12 months	7,120	8,586
More than 12 months	0	0
Total other payables	7,120	8,586

Note 8 Provisions

Note 8A: Employee provisions

Office holders:

Annual leave	3,690	1,140
Long service leave	0	0
Separations and redundancies	0	0
Other	0	0
Subtotal employee provisions - office holders	3,690	1,140

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	2020	2019
	\$	\$
Employees other than office holders:		
Annual leave	49,505	41,731
Long service leave	35,953	33,404
Separations and redundancies	0	0
Other	0	0
Subtotal employee provisions - employees other than office holders	85,458	75,135
Total employee provisions	89,147	76,275
Current	89,147	76,275
Non current	0	0
Total employee provisions	89,147	76,275
Note 9 Non-current liabilities		
Note 9A: Other non-current liabilities		
Leave provisions	0	0
Total other non-current liabilities	0	0
Total other non-current liabilities	0	0
Note 10 Equity		
Note 10A: General funds		
General fund		
Balance as at start of year	1,452,612	1,245,822
Net profit	94,182	206,790
Transferred to reserve	0	0
Transferred from reserve	0	0
Balance as at end of year	1,546,794	1,452,612
Total reserves	0	0
Note 10B: Other specific disclosures - funds		
Compulsory levy/voluntary contribution fund - if invested in assets		
None	0	0
Total compulsory levy/voluntary contribution fund - if invested in assets	0	0
Other funds required by the rules		
None	0	0
Total other funds required by the rules	0	0

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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2020 2019
\$ \$

Note 11 Cash flow

Note 11A: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per statement of financial position to cash flow statement

Cash and cash equivalents as per:

Cash flow statement	1,588,628	1,487,150
Statement of financial position	1,588,628	1,487,150
Difference	0	0

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

Profit/(deficit) for the year	94,182	206,790
Adjustments for non-cash items		
Depreciation/amortisation	4,046	0
Net write-down of non-financial assets	0	0
Fair value movements in investment property	0	0
Gain/(Loss) on disposal of assets	0	0
Changes in assets/liabilities		
(Increase)/decrease in net receivables	36,456	(3,068)
Increase/(decrease) in supplier payables	(2,405)	(2,578)
Increase/(decrease) in other payables	(1,466)	(2,801)
Increase/(decrease) in employee provisions	12,872	14,793
Net cash from (used by) operating activities	143,685	213,136

Note 11B: Cash flow information

Cash inflows from related parties

None	0	0
Total cash inflows from related parties	0	0

Cash outflows to related parties

SDA National Office - affiliation fees	804,710	808,462
SDA National Office - levies	90,044	150,636
Total cash outflows to related parties	894,754	959,098

There were no transfers to or withdrawals from a fund (other than the general fund), account, asset or controlled entity.

Note 12 Contingent Liabilities, Assets and Commitments

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

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2020 2019
\$ \$

Note 13 Related Party Disclosures

Note 13A: Related party transactions for the reporting period

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

Revenue received from related parties:

None	0	0
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Expenses paid to related parties:

SDA National Office, affiliation fees	804,710	808,462
SDA National Office, levies	90,044	150,636

Amounts owed by related parties:

None	0	0
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Amounts owed to related parties:

None	0	0
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Loans from/to related parties:

None	0	0
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Assets transferred from/to related parties:

None	0	0
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Payments made to a former related party of the reporting unit

None	0	0
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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 2020, 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 (2019: \$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.

Note 13B: Key management personnel remuneration for the reporting period

Short-term employee benefits

Gross wages and salaries	33,815	29,255
Annual leave paid out	297	(1,411)
Accrued annual leave	2,550	4,892
Performance bonus	535	0

Total short-term employee benefits

	37,197	32,735
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SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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	2020	2019
	\$	\$
Post-employment benefits:		
Superannuation	5,197	4,387
Total post-employment benefits	5,197	4,387
Other long-term benefits:		
Accrued long service leave	0	0
Total other long-term benefits	0	0
Termination benefits	0	0
Total termination benefits	0	0
Total key management personnel remuneration for the reporting period	42,394	37,123

Note 13C: Transactions with key management personnel and their close family members

Loans to/from key management personnel

None	0	0
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Other transactions with key management personnel

None	0	0
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Note 14 Remuneration of Auditors

Value of the services provided

Financial statement audit services	6,250	6,000
Other services	0	0
Total remuneration of auditors	6,250	6,000

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

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2020 2019
\$ \$

Note 15: Financial Instruments

The entity's financial instruments consist of a bank cheque account, cash management account and term deposit plus accounts receivable and payable.

Note 15A: Categories of Financial Instruments

Financial Assets

Fair value through profit or loss:

Cheque account	156,251	71,028
Cash Management account	183,411	182,050
Cash on hand	200	200

Total	339,862	253,278
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Held-to-maturity investments:

Term deposit	1,248,766	1,233,872
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Total	1,248,766	1,233,872
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Available-for-sale assets:

None	0	0
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Total	0	0
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Loans and receivables:

Accounts receivable	1,135	52,728
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Total	1,135	52,728
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<i>Carrying amount of financial assets</i>	1,589,763	1,539,878
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Financial Liabilities

Fair value through profit or loss:

Accounts payable	0	10,991
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Total	0	10,991
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Other financial liabilities:

None	0	0
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Total	0	0
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<i>Carrying amount of financial liabilities</i>	0	10,991
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Note 15B: Net Income and Expense from Financial Assets

Held-to-maturity

Interest revenue	14,895	20,149
Exchange gains/(loss)	0	0
Impairment	0	0
Gain/loss on disposal	0	0
Net gain/(loss) held-to-maturity	14,895	20,149

Loans and receivables

Interest revenue	0	0
Exchange gains/(loss)	0	0
Impairment	0	0

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Gain/loss on disposal	0	0
Net gain/(loss) from loans and receivables	0	0
Available for sale		
Interest revenue	0	0
Dividend revenue	0	0
Exchange gains/(loss)	0	0
Gain/loss recognised in equity	0	0
Amounts reversed from equity:		
Impairment	0	0
Fair value changes reversed on disposal	0	0
Gain/loss on disposal	0	0
Net gain/(loss) from available for sale	0	0
Fair value through profit and loss		
Held for trading:		
Change in fair value	0	0
Interest revenue	1,445	5,537
Dividend revenue	0	0
Exchange gains/(loss)	0	0
Total held for trading	1,445	5,537
Designated as fair value through profit and loss:		
Change in fair value	0	0
Interest revenue	0	0
Dividend revenue	0	0
Exchange gains/(loss)	0	0
Total designated as fair value through profit and loss	0	0
Net gain/(loss) at fair value through profit and loss	1,445	5,537
Net gain/(loss) from financial assets	16,340	25,686

The net income/expense from financial assets not at fair value from profit and loss is \$0.00 (2019: \$0.00).

Note 15C: Net Income and Expense from Financial Liabilities

At amortised cost		
Interest expense	0	0
Exchange gains/(loss)	0	0
Gain/loss on disposal	0	0
Net gain/(loss) financial liabilities - at amortised cost	0	0
Fair value through profit and loss		
Held for trading:		
Change in fair value	0	0
Interest expense	0	0
Exchange gains/(loss)	0	0
Total held for trading	0	0
Designated as fair value through profit and loss:		
Change in fair value	0	0
Interest expense	0	0
Total designated as fair value through profit and loss	0	0
Net gain/(loss) at fair value through profit and loss	0	0
Net gain/(loss) from financial liabilities	0	0

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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The net income/expense from financial liabilities not at fair value from profit and loss is \$0.00 (2019: \$0.00).

Note 15D: Credit Risk

Credit risk is the risk of financial loss to the entity if a counterparty to a financial instrument fails to meet its contractual obligations and arised principally from the entity's receivables.

Trade and other receivables

This relates to the entity's credit worthiness. It is in a strong financial position and is able to pay debtors.

Cash and cash equivalentents

The entity mitigates credit risk by depositing funds with Australian financial institutions with appropriate credit ratings.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial assets

Cash and cash equivalentents	1,588,628	1,487,150
Trade and other receivables	16,272	52,728
Total	<u>1,604,900</u>	<u>1,539,878</u>

Financial liabilities

Trade payables	0	2,405
Other payables	7,120	8,586
Total	<u>7,120</u>	<u>10,991</u>

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

The net income/expense from financial liabilities not at fair value from profit and loss is \$0.00 (2019: \$0.00).

Note 15D: Credit Risk

Credit risk is the risk of financial loss to the entity if a counterparty to a financial instrument fails to meet its contractual obligations and arised principally from the entity's receivables.

Trade and other receivables

This relates to the entity's credit worthiness. It is in a strong financial position and is able to pay debtors.

Cash and cash equivalents

The entity mitigates credit risk by depositing funds with Australian financial institutions with appropriate credit ratings.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial assets		
Cash and cash equivalents	1,588,628	1,487,150
Trade and other receivables	16,272	52,728
Total	1,604,900	1,539,878
Financial liabilities		
Trade payables	0	2,405
Other payables	7,120	8,586
Total	7,120	10,991

In relation to the entity's gross credit risk the following collateral is held: None

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past Due Nor Impaired	Past Due Or Impaired	Not Past Due Nor Impaired	Past Due Or Impaired
	2020	2020	2019	2019
	\$	\$	\$	\$
Trade and other receivables	16,272	0	52,728	0
Total	16,272	0	52,728	0

Ageing of financial assets that were past due but not impaired for 2020

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	16,272	0	0	0	16,272
Total	16,272	0	0	0	16,272

Ageing of financial assets that were past due but not impaired for 2019

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	52,728	0	0	0	52,728
Total	52,728	0	0	0	52,728

No assets have been individually assessed as impaired.

Note 15E: Liquidity Risk

Liquidity risk is the risk the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The entity's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the entity's reputation.

The entity ensures it has sufficient cash on demand to meet expected operational expenses for a 90 day period. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The entity does not maintain any lines of credit.

Contractual maturities for financial liabilities 2020

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
	\$	\$	\$	\$	\$	\$
Trade and other payables	0	7,120	0	0	0	7,120
Total	0	7,120	0	0	0	7,120

Contractual maturities for financial liabilities 2019

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
	\$	\$	\$	\$	\$	\$
Trade and other payables	0	10,991	0	0	0	10,991
Total	0	10,991	0	0	0	10,991

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

Note 15F: Market Risk

Market risk is the risk that changes in interest rate, price risk and/or currency risk will affect the entity's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Interest rate risk

The entity adopts a policy of ensuring its exposure to changes in interest rates is limited to investing in high return deposits without a fixed term.

Sensitivity analysis of the risk that the entity is exposed to for 2020

Risk variable	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	[+ 0.5%]	82	82
Interest rate risk	[- 0.5%]	(82)	(82)

Sensitivity analysis of the risk that the entity is exposed to for 2019

Risk variable	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	[+ 0.5%]	128	128
Interest rate risk	[- 0.5%]	(128)	(128)

[Where the sensitivity analysis is not representative of the risk inherent in a financial instrument—an entity discloses this fact and the reasons why]

Price risk

It excludes market risk, or the potential for an entire market to go down in value. As such, price risk is the

Sensitivity analysis of the risk that the entity is exposed to for 2020

Risk variable	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Other price risk	0 [+ 0.5%]	82	7,734
Other price risk	0 [- 0.5%]	(82)	(7,734)

Sensitivity analysis of the risk that the entity is exposed to for 2019

Risk variable	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Other price risk	0 [+ 0.5%]	128	7,263
Other price risk	0 [- 0.5%]	(128)	(7,263)

Note 15G: Asset Pledged/or Held as Collateral

None	0	0
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Note 16: Fair Value Measurement

Note 16A: Financial Assets and Liabilities

Management of the Shop Distributive and Allied Employees Association South Australian Branch assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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Note 17 Administration of financial affairs by a third party

Name of entity providing service: Withers Advisory
Terms and conditions: Normal commercial rates and conditions
Nature of expenses/consultancy service:
Administration and financial reporting

Detailed breakdown of revenues collected and/or expenses incurred

	2020	2019
	\$	\$
Revenue		
Membership subscription	0	0
Capitation fees	0	0
Levies	0	0
Interest	0	0
Rental income	0	0
Other revenue	0	0
Grants and/or donations	0	0
Total Revenue	0	0
Expenses		
Employee expense	0	0
Capitation fees	0	0
Affiliation fees	0	0
Consideration to employers for payroll deductions	0	0
Compulsory levies	0	0
Fees/allowances – meeting and conferences	0	0
Conference and meeting expenses	0	0
Administration expenses	6,290	0
Grants or donations	0	0
Finance costs	0	0
Legal costs	0	0
Audit fees	0	0
Penalties – via <i>RO Act</i> or the <i>Fair Work Act 2009</i>	0	0
Other expenses	0	0
Total Expenses	6,290	0

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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Note 17 Administration of financial affairs by a third party

Name of entity providing service: Shop Distributive and Allied Employees
Association South Australian Branch

Terms and conditions: No charge

Nature of expenses/consultancy service:
Administration services

Detailed breakdown of revenues collected and/or expenses incurred

	2020	2019
	\$	\$
Revenue		
Membership subscription	0	0
Capitation fees	0	0
Levies	0	0
Interest	0	0
Rental income	0	0
Other revenue	0	0
Grants and/or donations	0	0
Total Revenue	0	-0
Expenses		
Employee expense	0	0
Capitation fees	0	0
Affiliation fees	0	0
Consideration to employers for payroll deductions	0	0
Compulsory levies	0	0
Fees/allowances – meeting and conferences	0	0
Conference and meeting expenses	0	0
Administration expenses	0	0
Grants or donations	0	0
Finance costs	0	0
Legal costs	0	0
Audit fees	0	0
Penalties – via <i>RO Act</i> or the <i>Fair Work Act 2009</i>	0	0
Other expenses	0	0
Total Expenses	0	0

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
SOUTH AUSTRALIAN BRANCH

Note 18 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 Commissioner:

- 1) A member of a reporting unit, or the Commissioner, 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).



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INDEPENDENT AUDITOR'S REPORT

To the members of the Shop Distributive and Allied Employees Association South Australian Branch (Federal Body)

Report on the Audit of the Financial Report

Audit Opinion

We have audited the accompanying financial report of the Shop Distributive and Allied Employees Association South Australian Branch (Federal Body) (the Association) which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255 (2A) report and the Officer Declaration Statement.

In our opinion, the accompanying 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 2020 and its financial performance and cashflows for the year ended on that date in accordance with

- Australian Accounting Standards; and
- Any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

As part of the audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in Section 252 and 257(2) of the RO Act. Our opinion on the financial report is not modified.

In addition,

- i. there were kept by the Association, in relation to the year ended 30 June 2020, satisfactory records including
 - a) Records of the sources and nature of the income of the Association, including from members; and
 - b) Records of the nature and purposes of expenditure of the Association.
- ii. We have obtained all information and explanations required in accordance with Section 257(2) of the Fair Work (Registered Organisations) Act 2009.

I declare that I am an auditor registered under the RO Act.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Timothy Muhlhausler CA Registered Company Auditor
Partner

17 / 11 / 2020