



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7799
Fax: (03) 9654 6672

Mr Paul Griffin
Branch Secretary
Shop, Distributive and Allied Employees Association
Tasmanian Branch
72 York Street
LAUNCESTON TAS 7250

Dear Mr Griffin,

Re: Financial Documents for year ended 30 June 2005 - FR2005/237

Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

I acknowledge receipt of the financial reports of the Tasmanian Branch of the Shop, Distributive and Allied Employees Association for the year ended 30 June 2005. The documents were lodged in the Registry on 3 January 2006.

This is the second lodgment by the organisation of its audited financial reports under s268 of the *Registration and Accountability of Organisations (RAO) Schedule* which commenced on 12 May 2003.

While the documents have been filed, the following two matters require your further attention:

Timing of financial documents

One of the key requirements of the RAO Schedule is that all financial documents must be signed and dated before they are 'presented to a meeting' of the members.

The Secretary's Certificate states that the financial documents were presented to a series of three meetings as follows:

- Launceston on 19 October 2005
- Burnie on 16 November 2005
- Hobart on 21 November 2005

I note that all of the documents are dated 21 November 2005.

Therefore, on a prima facie basis, it would appear that the final signed and dated versions of the documents were not able to be presented to the meetings that occurred in Launceston and Burnie on 19 October and 16 November 2005 respectively.

I note that this issue of the timing of financial documents was brought to the branch's attention in the Registry's letter of 30 August 2005 which included the following paragraph:

The Operating Report (17/08/05) was signed and dated after the financial documents were provided to members and presented to a meeting (14/12/04) – all such documents must be finalised prior to their provision to members and presentation to the meeting – see ss265(1), (5) and 266 of the RAO Schedule.

The letter of 30 August 2005 also included a *Timeline* which indicates that all documents must be completed prior to their presentation to a meeting of members. Copies of the letter and *Timeline* are enclosed.

Action required: it is recommended that the branch present the financial reports (including a signed Auditor's Report) to further meetings in Launceston and Burnie. A revised Secretary's Certificate should then be lodged in the Registry under s268 of the RAO Schedule confirming this has occurred and providing the dates of the meetings. A copy of the signed Auditor's Report should also be forwarded to the Registry at the same time (see below).

Would you be able to advise me in writing by Friday 3rd February regarding what steps the organisation would be able to take to achieve this.

Auditor's Report unsigned

It is noted that the Auditor's Report was unsigned.

The Australian Auditing Standard AUS 702 (The Audit Report on a General Purpose Financial Report) requires the Auditor's Report to be signed as follows:

Basic Elements of the Audit Report

702.13 The audit report includes the following basic elements, ordinarily in the following layout:

- (a) a title;*
- (b) the addressee;*
- (c) a section describing the audit scope;*
- (d) when the audit opinion is qualified, a section describing the qualification;*
- (e) a section expressing the auditor's opinion on the financial report;*
- (f) when appropriate, a section describing an emphasis of matter;*
- (g) the auditor's signature;*
- (h) the auditor's address; and*
- (i) the date of the audit report....*

Signature

702.33 The audit report should be signed in the name of the appointed auditor. This will be the audit firm or the individual, as appropriate. (underlining added)

Similarly, sections 257(7) and (8) of the RAO Schedule requires the Auditor's Report to be signed:

(8) The form and content of the auditor's report must be in accordance with the Australian Auditing Standards.

(9) The auditor's report must be dated as at the date that the auditor signs the report and must be given to the reporting unit within a reasonable time of the auditor having received the general purpose financial report. (underlining added)

Accordingly, in future financial years, all financial documents (including the Auditor's Report) must be signed and dated before the documents are presented to a meeting of members. A signed copy of each of the documents must then be lodged in the Registry under cover of a Secretary's Certificate prepared under s268 of the RAO Schedule.

Action required: a signed copy of the Auditor's Report should be obtained from the auditor and forwarded to the Registry.

Grants and Donations

As the accounts disclosed an amount for 'grants and donations' of \$5,781 the organisation should provide information regarding any grant or donation made in excess of \$1,000 in accordance with s237 of the RAO Schedule. A form is enclosed for this purpose.

Comments to assist future financial reports

The comments below may assist you when you next prepare financial reports. No further action is required regarding the issues set out below with respect to the lodged documents:

Whether branch has any employees

The Operating Report states that:

There were no person/s who were, at the end of the financial year to which the report relates, employees of the branch.

It would appear that this comment is inconsistent with the Statement of Financial Performance which states:

<i>Employee benefits – officials</i>	<i>\$117, 693</i>
<i>Employee benefits – employees</i>	<i>\$112, 709</i>

In future financial years the branch should rectify this apparent inconsistency between the Operating Report and the Statement of Financial Performance regarding the issue of the number of employees of the branch.

Accounts need to include Notice which sets out sections 272(1), (2) & (3)

There should be included in the accounts a notice drawing attention to the fact that prescribed information is available to members on request. This requirement is set out in subsection 272(5) of the RAO Schedule, and it specifically requires the accounts to include a copy of subsections 272(1), (2) & (3) as follows:

(1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.

(2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.

(3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

This information is normally set out in the Notes to the Accounts.

Operating Report - right of members to resign

The Operating Report must also give details of the right of members to resign from the branch under section 174 of the RAO Schedule. This requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule which makes such provision – see s254(2)(c) of the RAO Schedule.

Lodge document within 14 days of meeting

Unless an extension is granted, financial documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented (or if there is a series of meeting: within 14 days of the last meeting) – see s268 and 266(3).

If you have any queries regarding any of the above issues please contact me on (03) 8661 7799 or at andrew.schultz@air.gov.au.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', with a long, sweeping underline that extends to the left and then curves back to the right.

Andrew Schultz
Statutory Services Branch

5 January 2006



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7799
Fax: (03) 9654 6672

Mr Paul Griffin
Branch Secretary
Shop, Distributive and Allied Employees Association
Tasmanian Branch
72 York Street
LAUNCESTON TAS 7250

Dear Mr Griffin,

Re: Financial Documents - year ended 30 June 2004 (FR2004/267)
Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

I have received the financial report for the Tasmanian Branch of the Shop, Distributive and Allied Employees Association for the year ended 30 June 2004. The documents were lodged in the Registry on 18 August 2005 under s268 of Schedule 1B of the Workplace Relations Act 1996.

As you would be aware, this is the first lodgment by the branch of its audited financial report under Schedule 1B (Registration and Accountability of Organisations (RAO) Schedule) which commenced on 12 May 2003.

The documents have been filed.

The following comments may assist you when you next prepare financial reports. No further action is required regarding these issues with respect to the lodged documents.

Special Purpose Financial Report

The Audit Report and Notes to the Accounts state that the financial report has been drawn up as a Special Purpose Financial Report (SPFR) rather than as a General Purpose Financial Report (GPFR) as required under s253 of the RAO Schedule. With respect to this issue Note 1 to the Accounts states:

The Association is not a reporting entity, because, in the Association's opinion, there are unlikely to exist users of the accounts who are dependant on general purpose financial reports of the Association for information. Accordingly these accounts are a 'special purpose financial report' and have been prepared for distribution to the members of the Association.

This approach is not consistent with the requirements of the RAO Schedule. The Schedule expressly requires a GPFR to be prepared and it makes no provision of any kind for the use of SPFR's.

While s270 of the RAO Schedule does make provision for reduced reporting requirements this only applies to whole organisations which have a total income of less than \$100,000.

In the light of the above, the Tasmanian Branch of the SDA will be required in future financial years to prepare a full GPFR in accordance with s253 of the RAO Schedule and the Reporting Guidelines issued with respect to s253.

Timing of financial documents

The RAO Schedule sets out a particular chronological order in which the financial documents must be prepared, made available to members and presented to a meeting - see the enclosed *Timeline*.

It is noted that the lodged documents did not comply fully with these requirements as follows:

- The Operating Report (17/08/05) was signed and dated after the financial documents were provided to members and presented to a meeting (14/12/04) – all such documents must be finalised prior to their provision to members and presentation to the meeting – see ss265(1), (5) and 266 of the RAO Schedule,
- The documents were lodged in the Registry more than 6 months after the date of the meeting, rather than within 21 days of the meeting as required by s268 of the RAO Schedule.

Accordingly, in future financial years the branch should ensure that the financial documents are prepared, made available to members and presented to the relevant meeting in the strict chronological sequence set out in the *Timeline* – see also sections 253, 265, 266 and 268 of the RAO Schedule.

Presentation of documents to meeting

It is noted that the financial documents were presented to a Committee of Management meeting rather than a general meeting of members. This may not be in accord with the RAO Schedule.

Under the RAO Schedule the standard obligation is for the full financial report to be presented to a general meeting of members within 6½ months of the end of the financial year. The documents may only be presented directly to a Committee of Management meeting where the rules of the organisation (or branch) contain a provision that allows up to 5% of members to call a general meeting to be held to consider the report - see s266(3).

It would appear that the rules of the organisation do not currently contain a provision to this effect. While Rule 41 of the Tasmanian Branch Rules is broadly in accord with the requirements of s266 I note that it refers to a 'written requisition of 30 *financial* members'. The Registrar has formed the view that s266 should not be interpreted as being limited to financial members.

Therefore, if the branch wishes to present its financial documents for year ending 30 June 2005 and later financial years to a Committee of Management meeting rather than a general meeting of members it will be necessary for the branch to amend its rules in accordance with the requirements of s266(3). The Registry can provide advice and/or assistance regarding any draft rules the branch may wish to submit with respect to this issue.

Conversely, if the branch intends to present future financial reports to general meetings rather than Committee meetings, then no alteration to the branch rules will be required.

Auditor's Report

The Auditor's Report should be revised so that it specifically confirms whether, in the Auditor's opinion, the accounts are presented fairly in accordance with the *Australian Accounting Standards* and the requirements of the RAO Schedule – see s257(5) of the RAO Schedule.

Statement of Cash Flows

The accounts did not include a Statement of Cash Flows. This is a mandatory requirement under 253(2)(a)(iii) of the RAO Schedule and in future financial years must be provided.

Committee of Management Statement

The wording of the Committee of Management Statement followed the former requirements of the Workplace Relations Act 1996 rather than the present requirements of the Reporting Guidelines – see the enclosed at Items 16 - 18. Please also note that the Certificate must affirm that it has been made in accordance with a resolution passed by the Committee and provide the date of the resolution.

Disclosure of Expenditure

An organisation is required to disclose specific expenditure items in the main body of the accounts. It is noted however that some of the expenditure information provided in the Statement of Financial Performance was grouped in broad categories such as 'Professional and Legal Fees' and 'Gifts and Representations'. With respect to these expenditure items the branch will need to separately disclose, in future financial years, the amount(s) expended on 'legal costs' and 'grants and donations' as required by Item 11 of the Reporting Guidelines.

In addition, in the event that any grant or donation is made in excess of \$1,000 the branch will need to provide further details of any such grant(s) and/or donation(s) as required by s237 of the RAO Schedule.

Certificate by General Secretary-Treasurer

The Certificate by General Secretary-Treasurer (otherwise known as an Accounting Officer's Certificate) was a document required under the former financial reporting requirements of the Workplace Relations Act 1996. This certificate is not required under the RAO Schedule as it has, in effect, been replaced by the Operating Report.

Due date for next financial return is 15 January 2006

Now that the financial year for 30 June 2005 has ended, the branch should consider commencing the financial reporting process set out in the enclosed *Timeline* to ensure that the financial documents are lodged in the Registry by 15 January 2006. The maximum extension that is available is one month – see s265(5).

If you have any queries please contact me on (03) 8661 7799.

Yours faithfully,



Andrew Schultz
Statutory Services Branch

30 August 2005

Correspondence directed to:

PAUL GRIFFIN
GENERAL SECRETARY

P.O. BOX 1289
LAUNCESTON, TASMANIA 7250

Email: secretary@sdatas.asn.au

Website: www.sdatas.asn.au



SHOP, DISTRIBUTIVE & ALLIED EMPLOYEES'
ASSOCIATION
TASMANIAN BRANCH

ABN 25 567 586 269

23rd December, 2005

Recd 4/1/06

~~The Industrial Registrar
Nauru House
80 Collins Street
MELBOURNE VIC 3000~~

FR 2005/237

Dear Sir,

Please find enclosed a return of information under Schedule 1B, from the Tasmanian Branch which is forwarded to you for filing, pursuant to the provision of the Act.

Further, in accordance with the Schedule, general members meetings of the Association were carried out on the following dates in the three regions of Tasmania in accordance with the Rules of the Association.

Hobart -	12 th October 2005	-	Lack of a chorum
	21 st November 2005	-	Passed
Launceston	19 th October 2005	-	Passed
Burnie	16 th November 2005	-	Passed

At the above meetings the audited Financial Statements for the financial year 2004/05 were presented to members with the above result achieved and some appeared in the final SDA quarterly journal of 2005, posted to members.

Yours faithfully,

Paul Griffin
General Secretary

HEAD OFFICE

72 York Street, Launceston 7250
Telephone (03) 6331 8166
Facsimile (03) 6334 2104

HOBART OFFICE

75 Patrick Street, Hobart 7000
Telephone (03) 6234 1118
Facsimile (03) 6234 1887

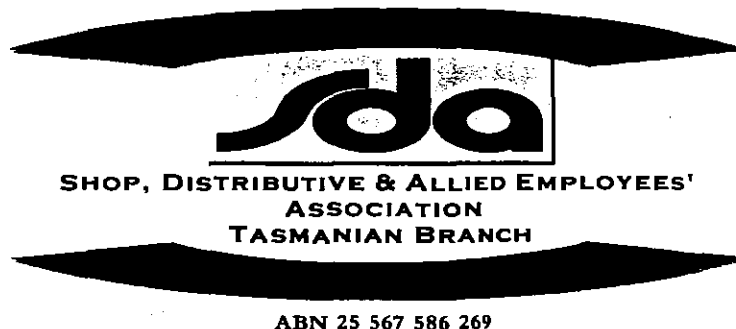
Correspondence directed to:

AUL GRIFFIN
GENERAL SECRETARY

O. BOX 1289
LAUNCESTON, TASMANIA 7250

mail: secretary@sdatas.asn.au

Website: www.sdatas.asn.au



delivered 28-11-05

Deloitte Touche Tohmatsu
PO Box 770
Launceston 7250

This representation letter is provided in connection with your audit of the financial statements of Shop Distributive & Allied Employees' Association (Tasmania Branch) for the year ended 30 June 2004 for the purpose of forming an opinion whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) so as to present a view which is consistent with your understanding of Shop Distributive & Allied Employees' Association (Tasmania Branch)'s financial position, the results of its operations and its cash flows.

We acknowledge our responsibility for the preparation of the financial statements including adequate disclosure. We also acknowledge our responsibility for the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and error.

We confirm, to the best of our knowledge and belief, the following representations:

There have been no irregularities involving management or employees who have a significant role in the accounting and internal control systems or that could have a material effect on the financial statements.

We have disclosed to you all significant facts relating to any frauds or suspected frauds known to us that may have affected the entity.

We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.

We have made available to you all books of account and supporting documentation and all minutes of meetings of the Committee of Management. Where minutes have not been prepared for recent meetings, a summary of decisions taken at those meetings has been made available to you.

We confirm the completeness of the information provided regarding the identification of related parties, and balances and transactions with related parties.

The financial statements are free of material misstatements, including omissions.

We believe the effects of those uncorrected financial report misstatements noted by you or your staff during the audit and included in Appendix A to this letter are immaterial, both individually and in aggregate to the financial report taken as a whole.

EAD OFFICE

York Street, Launceston 7250
Telephone (03) 6331 8166
Facsimile (03) 6334 2104

HOBART OFFICE

75 Patrick Street, Hobart 7000
Telephone (03) 6234 1118
Facsimile (03) 6234 1887

The association has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.

We have disclosed to you all known incidences of possible or actual non-compliance with laws and regulations whose effects should be considered when preparing the financial report.

The following have been properly recorded and, when appropriate, adequately disclosed in the financial statements:

- The identity of, and balances and transactions with, related parties;
- Losses arising from sale and purchase commitments;
- Agreements and options to buy back assets previously sold;
- Assets pledged as collateral.

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

We have no plans to abandon lines of product or other plans or intentions that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.

The association has satisfactory title to all assets and there are no liens or encumbrances on the association's assets.

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent.

There have been no events subsequent to period end which require adjustment of or disclosure in the financial statements or Notes thereto.

No claims in connection with litigation have been or are expected to be received.

There are no formal or informal set-off arrangements with any of our cash and investment accounts.

Alcoradine President 21st November 2005
Name & Title Date

PAUL GRIFIN: GENERAL SECRETARY 21.11.05
Name & Title Date

Appendix A to the Management Representation Letter

Account Name	Account Number	Assets	Liabilities	Retained Earnings	Other Equity	Income Statement	Total
		DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)
Known misstatements							
Likely misstatements							
Carry over effects of prior year misstatements							
				0		0	0

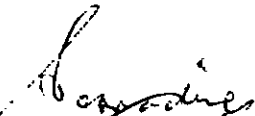
**SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
(TASMANIAN BRANCH)**

Statement on Behalf of the Association

We, Richard W. B. Harradine and Paul Griffin being two members of the State Council of the Shop Distributive and Allied Employees' Association (Tasmanian Branch), do state on behalf of the State Council and in accordance with a resolution passed by the State Council on 21st November 2005 that

- (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 Industrial Registrar;
- (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 general purpose financial report 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 have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the information sought in any request of a member or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar
 - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAS Schedule.

Signed in accordance with a resolution of the State Council.


Richard W. B. Harradine


Paul Griffin

Hobart, 21st November 2005

State Council's Statement

On 21st November 2005, the State Council of Shop Distributive and Allied Employees' Association, Tasmanian Branch ("Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2005.

The State Council declares in relation to the General Purpose Financial Report 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 Industrial Registrar;
- (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;
- (e) during the financial year to which the general purpose financial report relates and since the end of that year;
 - i meetings of the State Council were held in accordance with the rules of the organization including the rules of a branch concerned; and
 - ii the financial affairs of the reporting unit have been managed in accordance with the rules of the organization including the rules of a branch concerned; and
 - iii the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - iv the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units;
 - v the information sought in any request of a member of the reporting unit or a registrar duly made under Section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - vi no orders have been made by the Commission under 273 of the RAO Schedule during the period.

For State Council:

Title of Office held: General Secretary/Treasurer

Signature:
Paul Griffin

Date: 21. 11. 05.

This financial report covers the Shop Distributive and Allied Employees Association, Tasmanian Branch as an individual entity.

The Shop Distributive and Allied Employees Association Tasmanian Branch's principal place of business is 72 York Street Launceston Tasmania 7250.

A description of the nature of the entity's operations and its principal activities is included in the State Council's operating report.

Independent audit report to the Members of Shop Distributive & Allied Employees' Association (Tasmanian Branch)

Scope

We have audited the financial report of Shop Distributive & Allied Employees' Association (Tasmanian Branch) for the financial year ended 30 June 2005 as set out on pages 2 to 17. The State Council is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the association's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and Workplace Relations Act 1996 the financial position of Shop Distributive & Allied Employees' Association (Tasmanian Branch) as at 30 June 2005 and the results of its operations and its cash flows for the year then ended.

DELOITTE TOUCHE TOHMATSU

RJ Whitehead
Partner
Chartered Accountants
Launceston, 21 November 2005

Member of
Deloitte Touche Tohmatsu

Independent audit report to the members of Shop Distributive & Allied Employees' Association (Tasmanian Branch)

Scope

We have audited the concise financial report of Shop Distributive & Allied Employees' Association (Tasmanian Branch) for the financial year ended 30 June 2005 as set out on pages 2 to 7, in order to express an opinion on it to the members of the association. The State Council is responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Shop Distributive & Allied Employees' Association (Tasmanian Branch) for the year ended 30 June 2005. Our audit report on the full financial report was signed on 21 November 2005, and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standard AASB 1039 "Concise Financial Reports".

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the concise financial report of Shop Distributive & Allied Employees' Association (Tasmanian Branch) complies with Accounting Standard AASB 1039 "Concise Financial Reports".

DELOITTE TOUCHE TOHMATSU

Rod Whitehead
Partner
Chartered Accountants
Launceston, 21 November 2005

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	2	<u>1,106,045</u>	<u>1,174,892</u>
Administration expenses - other		(44,013)	(76,108)
Advertising		(10,304)	(77)
Affiliation fees - SDAEA National Office		(91,047)	(71,513)
Affiliation fees - SDAEA International Fund		(27,364)	(21,454)
Affiliation fees - Unions Tasmania		(19,421)	(18,356)
Branch journal		(51,926)	(49,560)
Commission paid to employers for making payroll deductions		(96,216)	(102,280)
Consulting		(24,652)	
Delegates expenses		(3,445)	(5,175)
Depreciation		(38,194)	(29,148)
Employee benefits - officials		(117,693)	(116,635)
Employee benefits - employees		(112,709)	(115,199)
Fares and organising expenses		(45,073)	(31,948)
Fringe benefit tax		(9,350)	(7,216)
Functions		(16,782)	(5,235)
Gifts and presentations		(11,789)	(14,067)
Grants and donations		(5,781)	-
Legal fees		(2,864)	(8,036)
Meeting expenses		(614)	(1,370)
Motor vehicle expenses		(30,901)	(30,374)
Movie tickets		(16,097)	(33,191)
National council expenses		(1,426)	(2,631)
Newsletters and publications		(1,827)	(8,187)
Postage and freight		(6,821)	(1,443)
Presidential card		(20,508)	(36,808)
Printing and stationery		(39,951)	(5,534)
Rates and taxes		(9,635)	(8,978)
Repairs and maintenance		(6,787)	(3,769)
Scholarship vouchers		(23,598)	(17,683)
Subscriptions		(7,606)	(10,119)
Telephone		(26,201)	(23,546)
Total expenses from ordinary activities		<u>(920,595)</u>	<u>(855,639)</u>
Profit from ordinary activities before income tax expense		185,450	319,253
Income tax expense relating to ordinary activities	1(f)	<u>-</u>	<u>-</u>
Net profit		<u>185,450</u>	<u>319,253</u>

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

	Notes	2005 \$	2004 \$
Current assets			
Cash assets	4	492,962	581,149
Investments	5	712,818	486,052
Receivables	6	<u>132,132</u>	<u>125,470</u>
Total current assets		<u>1,337,912</u>	<u>1,192,671</u>
Non-current assets			
Property, plant and equipment	7	<u>530,936</u>	<u>519,949</u>
Total non-current assets		<u>530,936</u>	<u>519,949</u>
Total assets		<u>1,868,848</u>	<u>1,712,620</u>
Current liabilities			
Payables	8	55,496	63,914
Provisions	9	<u>75,966</u>	<u>101,749</u>
Total current liabilities		<u>131,462</u>	<u>165,663</u>
Non-current liabilities			
Provisions	9	<u>9,590</u>	<u>4,611</u>
Total non-current liabilities		<u>9,590</u>	<u>4,611</u>
Total liabilities		<u>141,052</u>	<u>170,274</u>
Net assets		<u>1,727,796</u>	<u>1,542,346</u>
Members funds			
Retained profits	11	1,564,580	1,379,130
Reserves	12	<u>163,216</u>	<u>163,216</u>
Total members funds		<u>1,727,796</u>	<u>1,542,346</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
Cash flows from operating activities			
Receipts from members and other third parties		1,063,079	1,029,372
Interest received		34,247	23,540
Payments to suppliers and employees		<u>(906,973)</u>	<u>(804,969)</u>
Net cash provided by / (used in) operating activities	10(b)	<u>190,353</u>	<u>247,943</u>
Cash flows from investing activities			
Proceeds from sales of property, plant and equipment		13,864	11,181
Payment for property, plant and equipment		<u>(65,638)</u>	<u>(56,726)</u>
Net cash used in investing activities		<u>(51,774)</u>	<u>(45,545)</u>
Net increase in cash held			
Cash at the beginning of the financial year		<u>1,067,201</u>	<u>864,803</u>
Cash at the end of the financial year	10(a)	<u><u>1,205,780</u></u>	<u><u>1,067,201</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

1 Summary of accounting policies

Financial reporting framework

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of Schedule 1B (Registration and Accountability of Organisations (RAO) Schedule) and applicable Accounting Standards and Urgent Issues Group Consensus Views.

The financial report has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for the assets.

Significant accounting policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Accounts payable

Trade payables and other accounts payable are recognised when the Association becomes obliged to make future payments resulting from the purchase of goods and services.

(b) Acquisition of assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition. In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

(c) Depreciation and amortisation

Depreciation is calculated on a straight-line basis to write-off the net cost or revalued amount of each item of property, plant and equipment over its expected useful life to the Association from the time the asset is held ready for use.

The following estimated useful lives are used in the calculation of depreciation:

Buildings	50 years
Plant and equipment	2 to 10 years
Other items	3 to 15 years

(d) Employee benefits

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

Provisions made in respect of wages and salaries, annual leave and long service leave expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

1 - Summary of accounting policies (Continued)

(d) Employee benefits (continued)

Provisions made in respect of wages and salaries, annual leave and long service leave which are not expected to be settled within 12 months, are measured at the present value of the estimated future cash outflows to be made by the Association in respect of services provided by employees up to reporting date.

(e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

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 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 taxation authority is classified as operating cash flows.

(f) Income tax

No provision for income tax is necessary as Trade Unions are exempt from income tax under S50-15 of the Income Tax Assessment Act 1997.

(g) Receivables

Trade receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

(h) Recoverable amount of non-current assets

Non-current assets are written down to recoverable amount where the carrying value of the non-current asset exceeds recoverable amount. In determining the recoverable amount of non-current assets, the relevant net cash flows arising from the continued use and subsequent disposal of non-current assets have not been discounted to their present value.

(i) Revenue recognition

Revenue from the sale of goods and disposal of other assets is recognised when the Association has passed control of the goods or other assets to the buyer.

	2005 \$	2004 \$
2 Profit from ordinary activities		
Profit from ordinary activities before income tax includes the following items of revenue and expense:		
(a) Operating revenue		
Members' subscriptions	<u>1,034,719</u>	<u>1,103,805</u>
Movie money tickets	11,506	14,784
Interest received	34,247	23,540
Car park rents received	6,251	5,857
Reimbursements	3,272	10,995
Other	<u>2,186</u>	<u>4,730</u>
	<u>57,462</u>	<u>59,906</u>
(b) Non-operating revenue		
Proceeds on sale of assets	<u>13,864</u>	<u>11,181</u>
(c) Total revenue from ordinary activities	<u>1,106,045</u>	<u>1,174,892</u>
(d) Expenses		
Depreciation of non-current assets		
Property, plant and equipment	38,194	29,148
Net transfers to provisions		
Holiday pay	2,409	6,431
Long service leave	12,176	3,490
Auditor's remuneration - auditing the financial statements	3,565	2,200
- other services	<u>6,715</u>	<u>1,339</u>
3 Sales of assets		
Sales of assets in the ordinary course of business have given rise to the following profits and losses:		
Net profits		
Property, plant and equipment	<u>2,056</u>	<u>2,888</u>
Net losses		
Property, plant and equipment	<u>4,650</u>	<u>-</u>

	2005	2004
	\$	\$
4 Cash		
Cash on hand	136	-
Cash at bank - trading account	459,039	548,384
Cash at bank - LSL fund account	33,787	32,765
	<u>492,962</u>	<u>581,149</u>
5 Investments		
Trust deposit	16,945	16,413
CBA Commercial Bill	490,735	469,639
CBA Term Deposit 1	102,569	-
CBA Term Deposit 2	102,569	-
	<u>712,818</u>	<u>486,052</u>
6 Receivables		
Subscriptions in arrears	97,152	94,446
Sundry debtors and prepayments	34,980	31,024
	<u>132,132</u>	<u>125,470</u>

7 Property, plant and equipment

	Buildings at cost \$	Freehold Land at cost \$	Motor vehicles at cost \$	Office equipment, furniture and fittings at cost \$	Total
Gross carrying amount					
Balance at 30 June 2004	282,666	150,000	161,751	157,184	751,601
Additions		-	28,082	37,556	65,638
Disposals	-	-	(45,500)	(12,641)	(58,141)
Balance at 30 June 2005	<u>282,666</u>	<u>150,000</u>	<u>144,333</u>	<u>182,099</u>	<u>759,098</u>
Accumulated depreciation					
Balance at 30 June 2004	(26,974)	-	(76,869)	(127,809)	(231,652)
Depreciation expense	(4,680)	-	(18,058)	(15,456)	(38,194)
Disposals	-	-	30,009	11,675	41,684
Balance at 30 June 2005	<u>(31,654)</u>	<u>-</u>	<u>(64,918)</u>	<u>(131,590)</u>	<u>(228,162)</u>
Net book value					
As at 30 June 2004	<u>255,692</u>	<u>150,000</u>	<u>84,882</u>	<u>29,375</u>	<u>519,949</u>
As at 30 June 2005	<u>277,986</u>	<u>150,000</u>	<u>79,415</u>	<u>50,509</u>	<u>530,936</u>

Aggregate depreciation allocated during the year is recognised as an expense and disclosed in Note 2 to the financial statements.

The current value of land and buildings is \$290,000. This is based upon the valuation prepared by Valuer General in August 2005.

	2005	2004
	\$	\$
8 Payables		
Current		
Trade payables	49,281	51,564
Net GST payable	6,215	12,350
	<u>55,496</u>	<u>63,914</u>
9 Provisions		
Current		
Provision for employee benefits	<u>75,966</u>	<u>101,749</u>
Non-current		
Provision for employee benefits	<u>9,590</u>	<u>4,611</u>
10 Cash flow information		
(a) Reconciliation of cash		
For purposes of the statements of cash flows, cash includes cash on hand and at banks and on deposit.		
Cash on hand	136	-
Cash at bank	492,826	581,149
Commercial bills and term deposit	712,818	486,052
	<u>1,205,780</u>	<u>1,067,201</u>
(b) Reconciliation of profit from ordinary activities to net cash flows from operating activities		
Profit from ordinary activities	185,450	319,253
Depreciation	38,194	29,148
Profit on sale of property, plant and equipment	(2,056)	(2,888)
Loss on sale of property, plant and equipment	4,650	-
(Increase) / decrease in assets:		
Receivables	(6,662)	(110,800)
Increase / (decrease) in liabilities:		
Payables	(8,418)	3,309
Provisions	<u>(20,805)</u>	<u>9,921</u>
Net cash from operating activities	<u>190,353</u>	<u>247,943</u>

	2005	2004
	\$	\$
11 Retained profits		
Balance at the beginning of the financial year	1,379,130	1,059,877
Net profit	<u>185,450</u>	<u>319,253</u>
Balance at the end of the financial year	<u><u>1,564,580</u></u>	<u><u>1,379,130</u></u>
12 Reserves		
Asset revaluation reserve	<u><u>163,216</u></u>	<u><u>163,216</u></u>

The asset revaluation reserve relates to land and buildings that were previously carried at valuation. Land and buildings are now carried at cost and the balance of the asset revaluation reserve is no longer available to absorb future write-downs or decrements in the carrying value of land and buildings.

Shop Distributive and Allied Employees Association
Tasmanian Branch
Operating Report for year ended 30th June 2005

Total figure of members for the Tasmanian Branch of the Association as at the 30th June 2005 was 5246.

There were no person/s who were, at the end of the financial year to which the report relates, employees of the Branch.

The finances of the Branch are stable and there were no significant changes in the Branch's financial affairs during the year.

Persons eligible to do so under the Rules of the Association were actively encouraged to join the Association. Persons join or resign through the Tasmanian Branch of the Association in accordance with Branch Rules.

The members of State Council of the Branch for the relevant period were:-

Branch President	Brian Harradine
Branch Vice President	Karyn Synnott
Branch Secretary-Treasurer	Paul Griffin
State Councillors	Kathleen Casey
	Suzanne Aliphon
	Annette Jordan
	Lynette Berry
	Alex Cox
	James Fitzpatrick

There were no Branch elections during the period and one change was made to the State Council, effective from 31st May 2005.

Suzanne Aliphon replaced by motion of State Council as Branch Vice President.

Karyn Synnott endorsed by State Council to position of Branch Vice President.

The Branch maintained its Industrial Awards and Enterprise Agreements at a high, up to date standard.

The Branch negotiated new enterprise agreements with employers during the period. These included Woolworths, Wendys, Coles Supermarkets, Bunnings, Rockmans, Millers and others. These Agreements all related in increased wages and conditions for the employees covered by the Branch.

During the period, the Branch has carried out training courses for delegates in the form of two day blocks throughout the 3 regions of the State. Such training was in the form of Health and Safety in the workplace, Workers Compensation and the role of the delegate relevant to specific Agreements.

Further, the Branch representatives have periodically visited workplaces and represented and assisted members in industrial matters in the workplace.

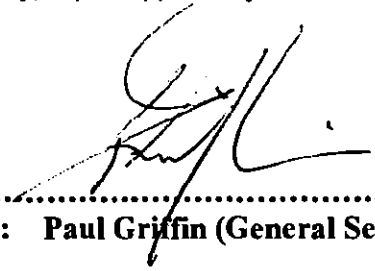
The Association is affiliated to the Australian Council of Trade Unions.

The Branch Secretary, Paul Griffin is a Director of the Tasplan Superannuation Fund.

The Tasmanian Branch maintained its Rules and reported accordingly to statutory requirements.

The Branch produces a quarterly magazine which is posted to members as well as other relevant information specific to the workplace in the form of a flyer or bulletin update.

Other publications provided to members include Workers Compensation, Occupational Health and Safety, Equal Opportunity and Sexual Harassment.



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Signed: Paul Griffin (General Secretary)

..... *21. 11. 05*

Date: