



FAIR WORK
AUSTRALIA

18 October 2011

Mr Paul Griffin
Secretary/Treasurer
Shop, Distributive and Allied Employees Association, Tasmanian Branch

email: secretary@sdatas.asn.au

Dear Mr Griffin

Re: Financial Report for the Shop, Distributive and Allied Employees Association, Tasmanian Branch for year ended 30 June 2011 – FR2010/2689

I acknowledge receipt of the financial report for the Shop, Distributive and Allied Employees Association, Tasmanian Branch (the Branch) and the designated officer's certificate dated 12 October 2011 for the year ended 30 June 2011. The report was lodged with Fair Work Australia (FWA) on 1 September and the designated officer's certificate was received on 12 October 2011.

The financial report has now been filed.

I make the following comments in relation to the full and concise reports to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Timing of Financial Documents - Lodgement of documents with Fair Work Australia

[Section 268](#) of the *Fair Work (Registered Organisations) Act 2009* (the Act) requires the Branch to lodge its financial documents with FWA within 14 days of the date of the Committee of Management's meeting at which they were presented (that is, 24 August 2010). The documents were not lodged with FWA until 1 September 2011. In future years please ensure that financial reports are lodged with FWA within 14 days of the Committee of Management's meeting.

Committee of Management statement

The Committee of Management statement (State Council statement) dated 24 August 2010 contained in the full report did not include the date of the resolution of the Committee of Management. Item 26(b) of the General Manager's Reporting Guidelines states that the Committee of Management statement must specify the date of passage of the resolution. I also note that the concise report did not contain a copy of the Committee of Management statement. Regulation 161(1)(d) of the *Fair Work (Registered Organisations) Regulations 2009* requires that a concise report must include any reports or statements mentioned in paragraph 253(2)(c) of the Act. Could the Branch ensure that future Committee of Management statements contain the date of the resolution and that the concise report contains a copy of the Committee of Management statement.

Notes to the financial statements

Notice under section 272(5) of the Act

As you are aware the notes to the General Purpose Financial Report are required to include a notice drawing attention to the fact that information prescribed by the *Fair Work (Registered Organisations) Regulations 2009* is available to members on request as follows:

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

Also the discussion and analysis of the financial statements contained in the concise report reproduces the wording from outdated legislation. Could the Branch ensure that future reports contain this extract of the Act word for word.

Fair Work (Registered Organisations) Act 2009

Reference to the 'Registration and Accountability of Organisations (RAO) Schedule of the Workplace Relations Act 1996' appearing in the Audit Report, note 3 (in the full report) and note 1 (of the concise report) of the notes to the financial statements, 'Industrial Registrar', 'RAO Schedule' and the 'RAO regulations' where appearing in the Committee of Management statement, should properly refer to *Fair Work (Registered Organisations) Act 2009*, the General Manager, Fair Work Australia, the RO Act and RO Regulations respectively.

I make the following comments in relation to the concise report to assist you when you next prepare a financial report.

Concise Report

AASB 1039 at paragraph 33 requires the following statements to be prominently displayed on the first page of the concise report:

- that the report is a concise report;
- that the concise report is derived from the full report and cannot be expected to provide as full an understanding as the full report;
- that members will be sent the full report if requested.

In future years please ensure these statements are prominently displayed on the first page of the concise financial report.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely



Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

Sample Designated Officer's Certificate or other Authorised Officer¹

s268 Fair Work (Registered Organisations) Act 2009

I Paul Orlando Griffin being the General Secretary/Treasurer of the Shop Distributive and Allied Employees Association – Tasmania Branch certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]²*, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *concise report*, was provided to members on 17th September 2010 ; and
- that the full report was presented to State Council Committee of the reporting unit on 24th August 2010; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.



Signature:

Date: 12th October 2011

¹ *The relevant regulations prescribe the designated officer for the purpose of s268 of the Fair Work (Registered Organisations) Act 2009 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

² *Only applicable where a concise report is provided to members*

³ *Insert whichever is applicable*

Shop, Distributive and Allied Employees Association

Tasmanian Branch

Annual Financial Report
Year Ended 30 June 2010

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

OPERATING REPORT

The State Council of Shop Distributive and Allied Employees Association, Tasmanian branch submit herewith the annual financial report of the Union for the financial year ended 30 June 2010.

The names and particulars of the members of the State Council of the Union during or since the end of the financial year are:

General President:	Karyn Synnott
Branch Vice President:	James Fitzpatrick
General Secretary:	Paul Griffin
State Committee:	Kathleen Casey (Resigned 21/5/2010)
	Tania Venn
	Leanne Porter
	Annette Jordan
	Katrina Barr

PRINCIPAL ACTIVITIES

The Union's principal continuing activity during the year was to promote the interests of its members.

REVIEW OF OPERATIONS

	2010	2009
	\$	\$
Operating profit / (loss) for the year	139,096	40,298

CHANGES IN STATE OF AFFAIRS

There was no significant change in the state of affairs of the Union during the financial year.

SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

FUTURE DEVELOPMENTS

No significant changes in the operations of the Union have been proposed at the date of this report.

DETAILS OF MEMBERS & RIGHTS OF MEMBER TO RESIGN

The Shop, Distributive and Allied Employees Association, Tasmania Branch had 5,728 members as at 30 June 2010 (2009: 5,885) which include both honorary and lifetime members.


Details of the right of members to resign from the union are in rule 12 of the Rules of the Shop Distributive and Allied Employees Association, Tasmania Branch.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH

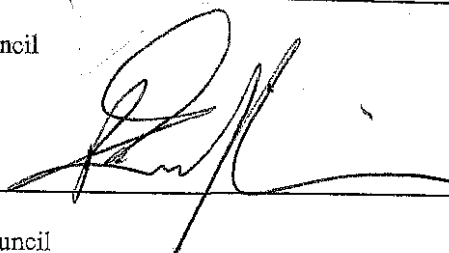
OPERATING REPORT

EMPLOYEES

The Shop Distributive and Allied Employees Association, Tasmania Branch had 7 full time equivalent employees as at 30 June 2010 (2009: 7)



Name:
State Council



Name:
State Council

Signed at Hobart this 24 day of August 2010

Davern Dixon

CHARTERED ACCOUNTANTS

A.C.N. 009 513 482 PTY LTD

Directors

Peter C Dixon FCA
Christopher J Bishop FCA
Roger G McBain CA

26 Elizabeth Street
Launceston Tas 7250

P.O. Box 872

Telephone (03) 6331 5133
Facsimile (03) 6331 3623

Email: mail@davern Dixon.com.au

Independent Auditor's Report to the members of Shop, Distributive and Allied Employees Association, Tasmanian Branch

We have audited the accompanying financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the State Council declaration of the association as set out on pages 5 to 23.

The Responsibility of the State Council for the Financial Report

The State Council members of the entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the association's constitution and the requirements imposed by Part 3 of Chapter 8 of the Registration and Accountability of Organisations (RAO) Schedule of the Workplace Relations Act 1996. This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 3, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the State Council, as well as evaluating the overall presentation of the financial report.

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

Auditor's Independence Declaration

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


Auditor's Opinion

In our opinion:

- (a) the financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch presents fairly, in all material respects, the Union's financial position as at 30 June 2010, and of its financial performance, its cash flows and its changes in equity for the year ended on that date in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Union's constitution and the requirements imposed by Part 3 of Chapter 8 of the Registration and Accountability of Organisations (RAO) Schedule of the Workplace Relations Act 1996; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 3.



DAVERN DIXON



Peter Dixon
Partner
Chartered Accountants
Launceston, 26th August 2010

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

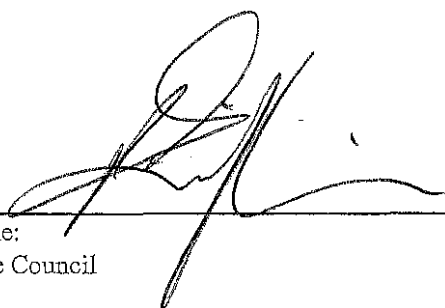
STATE COUNCIL STATEMENT

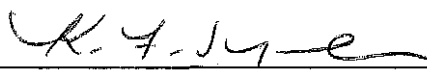
On August the State Council of Shop, Distributive and Allied Employees Association, Tasmanian Branch passed the following resolution in relation to the General Purpose Financial Report of the reporting unit for the financial year ended 30 June 2010:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statement 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 this 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 organisation including rules of the branch concerned;
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the branch concerned;
 - (iii) the financial records have been kept and maintained in accordance with the RAO Schedule and the RAO regulations;
 - (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 to each of the other reporting units of the organisation;
 - (v) 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;
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule; and
 - (vii) in relation to the recovery of wages activity; there has been no such activity undertaken.

Signed in accordance with a resolution of the State Council dated

August 2010


Name:
State Council

 24-8-10
Name:
State Council

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Revenue	4	1,641,286	1,500,254
Administration expenses - other		17,049	26,641
Advertising		11,281	16,952
Affiliation fees - SDAEA National Office		124,567	115,318
Affiliation fees - SDAEA International Fund		37,370	34,595
Affiliation fees - Union Tasmania		30,120	26,909
Affiliation fees - ALP Tasmania		12,637	13,062
Audit fees		10,921	8,899
Branch journal		79,276	80,756
Campaigns		11,843	382
Commissions paid to employers		134,667	132,604
Computer expenses		3,434	9,624
Consulting		15,187	18,536
Delegates expenses		30,385	29,784
Depreciation		45,896	37,296
Employee benefits - officials		74,817	73,034
Employee benefits - employees		366,631	347,687
Fares and organising expenses		31,753	59,608
Fringe benefits tax		21,912	19,242
Functions		13,902	26,085
Gifts and presentations		26,236	22,736
Grants and donations		12,043	6,109
Legal fees		6,380	4,796
Light and power		4,008	3,178
Loss on sale of fixed assets		-	1,704
Meeting expenses		903	252
Member benefits		2,957	3,560
Motor vehicle expenses		43,355	48,082
Movie tickets		68,598	65,609
National Council expenses		41,885	7,498
Postage and freight		24,729	20,304
Presidential card		42,527	40,929
Printing and stationery		32,757	26,670
Rates and taxes		11,514	10,278
Repairs and maintenance		6,358	4,379
Scholarship vouchers		62,721	55,623
Scholarship - AFS Corporate		-	22,230
Subscriptions		1,157	1,706
Telephone		40,414	37,299
Profit before tax	5	139,096	40,298
Income tax expense		-	-
Profit for the year		139,096	40,298
Other comprehensive income		-	-
Total comprehensive income for the year		139,096	40,298

Notes to the financial statements are attached on pages 10 to 23

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Note	2010 \$	2009 \$
Current assets			
Cash and cash equivalents		1,478,812	1,407,637
Trade and other receivables	6	154,019	68,909
Inventories	7	17,258	6,806
Total current assets		<u>1,650,089</u>	<u>1,483,352</u>
Non-current assets			
Property, plant and equipment	8	<u>500,796</u>	<u>538,521</u>
Total non-current assets		<u>500,796</u>	<u>538,521</u>
Total assets		<u>2,150,885</u>	<u>2,021,873</u>
Current liabilities			
Trade and other payables	9	60,448	86,812
Provisions	10	105,456	92,035
Total current liabilities		<u>165,904</u>	<u>178,847</u>
Non-current liabilities			
Provisions	10	<u>23,097</u>	<u>20,238</u>
Total non-current liabilities		<u>23,097</u>	<u>20,238</u>
Total liabilities		<u>189,001</u>	<u>199,085</u>
Net assets		<u>1,961,884</u>	<u>1,822,788</u>
Equity			
Retained earnings	11	1,798,668	1,659,572
Reserves	12	<u>163,216</u>	<u>163,216</u>
Total equity		<u>1,961,884</u>	<u>1,822,788</u>

Notes to the financial statements are attached on pages 10 to 23

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Reserves	Retained earnings	Total
	\$	\$	\$
Balance at 1 July 2008	163,216	1,619,274	1,782,490
Profit for the period	-	40,298	40,298
Balance at 30 June 2009	<u>163,216</u>	<u>1,659,572</u>	<u>1,822,788</u>
Balance at 1 July 2009	163,216	1,659,572	1,822,788
Profit for the period	-	139,096	139,096
Balance at 30 June 2010	<u>163,216</u>	<u>1,798,668</u>	<u>1,961,884</u>

Notes to the financial statements are attached on pages 10 to 23

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Cash flows from operating activities			
Receipts from members and other third parties		1,584,675	1,465,906
Payment to suppliers and employees		<u>(1,561,720)</u>	<u>(1,392,102)</u>
Net cash provided by/ (used in) operating activities	16(b)	<u>22,955</u>	<u>73,804</u>
Cash flows from investing activities			
Interest received		56,392	88,450
Payments for property, plant and equipment		(8,172)	(36,190)
Proceeds from sale of property, plant and equipment		<u>-</u>	<u>1,364</u>
Net cash provided by/(used in) investing activities		<u>48,220</u>	<u>53,624</u>
Net decrease in cash and cash equivalents		71,175	127,428
Cash and cash equivalents at the beginning of the financial year		<u>1,407,637</u>	<u>1,280,209</u>
Cash and cash equivalents at the end of the financial year	16(a)	<u>1,478,812</u>	<u>1,407,637</u>

Notes to the financial statements are attached on pages 10 to 23

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

1. General information

Shop, Distributive and Allied Employees Association, Tasmanian Branch is the Tasmanian branch of the national Shop, Distributive and Allied Employees Association. The Union's registered office and its principal place of business are as follows:

Registered office

72 York Street
Launceston
TASMANIA 7250

Principal place of business

72 York Street
Launceston
TASMANIA 7250

2. Adoption of new and revised Accounting Standards

2.1 Standards and Interpretations affecting amounts reported in the current period (and/or prior periods)

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported in these financial statements. Details of other Standards and Interpretations adopted in these financial statements but that have had no effect on the amounts reported are set out in section 2.2

Standards affecting presentation and disclosure

AASB 101 Presentation of Financial Statements (as revised in September 2007), AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101

AASB 101 (September 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

AASB 2009-2 Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments

The amendments to AASB 7 expand the disclosures required in respect of fair value measurements and liquidity risk. The association has elected not to provide comparative information for these expanded disclosures in the current year in accordance with the transitional reliefs offered in these amendments.

Amendments to AASB 107 Statement of Cash Flows (adopted in advance of effective date of 1 January 2010)

The amendments (part of AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project) specify that only expenditures that result in a recognised asset in the statement of financial position can be classified as investing activities in the statement of cash flows.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

2. Adoption of new and revised Accounting Standards (cont'd)

2.2 Standards and Interpretations adopted with no effect on financial statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project and AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

In addition to the changes affecting amounts reported in the financial statements described at 2.1 above, the amendments have led to a number of changes in the detail of the Union's accounting policies – some of which are changes in terminology only, and some of which are substantive but have no material effect on amounts reported.

AASB 2009-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project and AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

Amendments have led to a number of changes in the detail of the Union's accounting policies – some of which are changes in terminology only, and some of which are substantive but have had no material effect on amounts reported. Except as noted in 2.3 below, the changes in AASB 2009-5 have been adopted in advance of their effective dates of 1 January 2010.

2.3 Standards and Interpretations in issue but not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
· AASB 2009-5 <i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project</i>	1 January 2010	30 June 2011
· AASB 124 <i>Related Party Disclosures</i> (revised December 2009), AASB 2009-12 <i>Amendments to Australian Accounting Standards</i>	1 January 2011	30 June 2012
· AASB 9 <i>Financial Instruments</i> , AASB 2009-11 <i>Amendments to Australian Accounting Standards arising from AASB 9</i>	1 January 2013	30 June 2014

The following IASB Standards and IFRIC Interpretations are also in issue but not yet effective, although Australian equivalent Standards/Interpretations have not yet been issued.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
None at the time of publication		

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

3. Significant accounting policies

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of Part 3 of Chapter 8 of the Registration and accountability of Organisations (RAO) Schedule of the Workplace Relations Act 1996, Accounting Standards and Interpretations, and complies with other requirements of the law. The financial report includes the financial statements of the Union. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the financial statements and notes of the Union comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the State Council on August 2010.

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

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

Basis of preparation

(a) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

(b) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

(c) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Employee benefits

A liability is recognised 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.

Liabilities recognised in respect of employee benefits 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.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as 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.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

3. Significant accounting policies (cont'd)

(e) Financial assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial asset:

- (i) has been acquired principally for the purpose of selling in the near future;
- (ii) is a part of an identified portfolio of financial instruments that the association manages together and has a recent actual pattern of short-term profit-taking; or
- (iii) is a derivative that is not designated and effective as a hedging instrument

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

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

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

3. Significant accounting policies (cont'd)

(e) Financial assets (cont'd)

Impairment of financial assets (cont'd)

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

(f) Income Tax

The income of the Union is not managed for the purpose of profit or gain to the individual members and is exempt from income tax under S50-15 of the Income Tax Assessment Act 1936, as amended.

(g) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

(h) Property, plant and equipment

Land is carried at cost. Buildings, plant and equipment, and low value pool assets are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation for buildings is calculated on a straight line basis and so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Depreciation for plant and equipment and low value pool assets is calculated on a diminishing value basis and so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

3. Significant accounting policies (cont'd)

(i) Revenue recognition

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

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- (a) the association has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the association retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

Member subscriptions and car park rental income is recognised to the extent that the associated services relating to the fees have been provided.

Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(j) Goods and services tax

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

- (a) 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
- (b) for receivables and payables which are recognised inclusive of GST.

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

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

3. Significant accounting policies (cont'd)

(k) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Union's accounting policies, which are described above, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
4. Revenue		
An analysis of the Union's revenue for the year, from continuing operations, is as follows:		
Revenue from member subscriptions	<u>1,535,805</u>	<u>1,370,233</u>
Interest revenue		
Cash and cash equivalents	<u>56,392</u>	<u>88,450</u>
Movie ticket sales	25,077	19,136
Car park rent	6,808	7,405
Other	<u>17,204</u>	<u>15,030</u>
	<u>49,089</u>	<u>41,571</u>
	<u>1,641,286</u>	<u>1,500,254</u>
5. Profit for the year		
Profit for the year has been arrived at after crediting the following gains and losses:		
(a) Gains and losses		
Loss on disposal of property, plant and equipment	<u>-</u>	<u>1,704</u>
(b) Other expenses		
Profit for the year includes the following expenses:		
Depreciation of non-current assets	<u>45,896</u>	<u>37,296</u>
Employee benefits expense:		
Defined contribution plans	<u>33,425</u>	<u>34,155</u>
6. Trade and other receivables		
Subscriptions in arrears	143,828	54,696
Sundry debtors and prepayments	10,056	13,313
Car park debtors	<u>135</u>	<u>900</u>
	<u>154,019</u>	<u>68,909</u>
The average credit period on sales is 60 days. No interest is charged on outstanding trade receivables. Included in the company's trade receivables are an immaterial amount of debtors greater than 90 days.		
Impairment not considered to be an issue.		
7. Inventories		
Movie tickets	<u>17,258</u>	<u>6,806</u>
	<u>17,258</u>	<u>6,806</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

8. Property, plant and equipment

	Freehold land at cost	Buildings at cost	Plant and equipment at cost	Low value pool	Total
Gross carrying amount					
Balance at 1 July 2008	150,000	295,976	249,820	118,164	813,960
Additions	-	-	33,167	3,023	36,190
Disposals	-	-	(14,500)	-	(14,500)
Balance at 30 June 2009	150,000	295,976	268,487	121,187	835,650
Additions	-	-	5,963	2,209	8,172
Disposals	-	-	-	-	-
Balance at 30 June 2010	150,000	295,976	274,450	123,396	843,822
Accumulated depreciation					
Balance at 1 July 2008	-	(42,735)	(117,496)	(111,033)	(271,264)
Depreciation expense	-	(3,811)	(30,245)	(3,241)	(37,297)
Disposals	-	-	11,432	-	11,432
Balance at 30 June 2009	-	(46,546)	(136,309)	(114,274)	(297,129)
Depreciation expense	-	(9,630)	(33,260)	(3,007)	(45,897)
Disposals	-	-	-	-	-
Balance at 30 June 2010	-	(56,176)	(169,569)	(117,281)	(343,026)
Net book value					
As at 30 June 2009	150,000	249,430	132,178	6,913	538,521
As at 30 June 2010	150,000	239,800	104,881	6,115	500,796

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

Class of asset	Depreciation rate
Buildings	2%
Plant and equipment	15% - 30%
Low value pool	19% - 38%

Aggregate depreciation allocated, whether recognised as an expense or capitalised as part of the carrying amount of other assets during the year:

	2010	2009
	\$	\$
Buildings	9,630	3,811
Plant and equipment	33,260	30,245
Low value pool	3,007	3,241
	<u>45,897</u>	<u>37,297</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
9. Trade and other payables		
Trade payables	7,899	60,198
Accruals	17,794	-
PAYG clearing account	-	5,829
FBT payable	4,816	4,403
Net GST payable	29,939	16,382
	<u>60,448</u>	<u>86,812</u>

The average credit period for purchases of goods and services is 30 days. No interest is charged on trade payables.

10. Provisions

Current

Employee benefits	<u>105,456</u>	<u>92,035</u>
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Non-Current

Employee benefits	<u>23,097</u>	<u>20,238</u>
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11. Retained Earnings

Balance at beginning of financial year	1,659,572	1,619,274
Net profit attributable to members of the Union	139,096	40,298
Balance at end of financial year	<u>1,798,668</u>	<u>1,659,572</u>

12. Reserves

Asset revaluation reserve

Balance at beginning of financial year		
Movements	163,216	163,216
Balance at end of financial year	<u>-</u>	<u>-</u>
	<u>163,216</u>	<u>163,216</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.

13. Commitments for expenditure

There are no capital or other expenditure commitments contracted for as at reporting date.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

14. Key management personnel remuneration

Details of key management personnel

The members of the State Council and other members of key management personnel of the Union during the year were:

General President:	Karyn Synnott
Branch Vice President:	James Fitzpatrick
General Secretary:	Paul Griffin
State Committee:	Kathleen Casey (Resigned 21/5/2010)
	Tania Venn
	Leanne Porter
	Annette Jordan
	Katrina Barr

The aggregate compensation made to directors and other members of key management personnel of the Union is set out below:

	2010 \$	2009 \$
Short-term employee benefits	87,419	81,752
Post-employment benefits	6,095	6,030
	<u>93,514</u>	<u>87,782</u>

(a) Transactions with key management personnel

During the year State Councillors and their related entities purchased goods, which were trivial in nature, from the association on the same terms and conditions available to other members.

(b) Transactions with other related parties

Other related parties include:

- SDAEA National Office
- SDAEA International Fund

Transactions between Shop, Distributive and Allied Employees Association, Tasmanian Branch and its related parties

During the financial year, the following material transactions occurred between the association and its other related

(a) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual affiliation fees to SDAEA National Office of \$124,567 (2009:\$115,318)

(b) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual affiliation fees to SDAEA International Fund of \$37,370 (2009:\$34,595)

	2010 \$	2009 \$
15. Remuneration of auditors		
Auditor of the company:		
Audit of the financial report	9,021	7,119
Taxation services	1,900	1,780
	<u>10,921</u>	<u>8,899</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

The auditor of Shop, Distributive and Allied Employees Association, Tasmanian Branch is Davern Dixon

16. Notes to the cash flow statement

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Petty cash - Launceston	100	100
Petty cash - Hobart	100	100
Cash at bank - trading account	165,071	130,287
CBA Commercial Bill	1,279,087	1,224,007
CBA Online saver	34,454	53,143
	<u>1,478,812</u>	<u>1,407,637</u>

(b) Reconciliation of profit

Profit from the year	139,096	40,298
Depreciation and amortisation	45,897	37,298
Loss on sale of non-current assets	-	1,704
Interest income received and receivable	(56,392)	(88,450)

**(Increase)/decrease in
assets:**

Trade and other receivables	(85,110)	54,102
Inventories	(10,452)	(3,314)

Increase/(decrease) in liabilities:

Trade and other payables	(26,364)	32,909
Provisions	16,280	(743)

Net cash from operating activities	<u>22,955</u>	<u>73,804</u>
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**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

17. Financial Instruments

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

(b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the State Council, who has built an appropriate liquidity risk management framework for the management of the Union's short, medium, and long-term funding and liquidity management requirements. The Union manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the Union's remaining contractual maturity from its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Union can be required to pay. The table includes both interest and principal cash flows:

	Weighted average effective interest rate %	Less than 1 month \$	1-3 months \$	3 months to 1 year \$	1 – 5 years \$	Total \$
2010						
Non-interest bearing	-	60,448	-	-	-	60,448
		60,448	-	-	-	60,448
2009						
Non-interest bearing	-	86,812	-	-	-	86,812
		86,812	-	-	-	86,812

The following tables detail the Union's expected maturity from its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial assets including interest that will be earned on those assets except where the Union anticipates that the cash flow will occur in a different period.

	Weighted average effective interest rate %	Less than 1 month \$	1-3 months \$	3 months to 1 year \$	1 – 5 years \$	Total \$
2010						
Non-interest bearing	-	319,290	-	-	-	319,290
Fixed interest rate instruments	4.50%	-	-	1,279,087	-	1,279,087
Variable interest rate instruments	3.63%	34,454	-	-	-	34,454
		353,744	-	1,279,087	-	1,632,831
2009						
Non-interest bearing	-	199,396	-	-	-	199,396
Fixed interest rate instruments	4.50%	-	-	1,224,007	-	1,224,007
Variable interest rate instruments	4.52%	53,143	-	-	-	53,143
		252,539	-	1,224,007	-	1,476,546

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

(c) Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

The State Council considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximates their fair values.

17. Financial Instruments (cont'd)

(d) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Union. The Union has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

18. Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

Shop, Distributive and Allied Employees Association

Tasmanian Branch

Concise Financial Report
Year Ended 30 June 2010

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

OPERATING REPORT

The State Council of Shop Distributive and Allied Employees Association, Tasmanian Branch submit herewith the annual financial report of the association for the financial year ended 30 June 2010.

The names and particulars of the members of the State Council of the Union during or since the end of the financial year are:

General President:	Karyn Synnott
Branch Vice President:	James Fitzpatrick
General Secretary:	Paul Griffin
State Committee:	
	Kathleen Casey (Resigned 21/5/2010)
	Tania Venn
	Leanne Porter
	Annette Jordan
	Katrina Barr

PRINCIPAL ACTIVITIES

The Union's principal continuing activity during the year was to promote the interests of its members.

REVIEW OF OPERATIONS

	2010	2009
	\$	\$
Operating profit / (loss) for the year	139,096	40,298

CHANGES IN STATE OF AFFAIRS

There was no significant change in the state of affairs of the Union during the financial year.

SUBSEQUENT EVENTS

There has not been any matter or circumstance occurring subsequent to the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Union, the results of those operations, or the state of affairs of the association in future financial years.

FUTURE DEVELOPMENTS

No significant changes in the operations of the Union have been proposed at the date of this report.

DETAILS OF MEMBERS & RIGHTS OF MEMBER TO RESIGN

The Shop, Distributive and Allied Employees Association, Tasmanian Branch had 5,728 members as at 30 June 2010 (2009: 5,885) which include both honorary and lifetime members.


Details of the right of members to resign from the union are in rule 12 of the Rules of the Shop Distributive and Allied Employees Association, Tasmania Branch.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH

OPERATING REPORT

EMPLOYEES

The Shop Distributive and Allied Employees Association, Tasmania Branch had 7 full time equivalent employees as at 30 June 2010 (2009: 7)



Name:

State Council



Name:

State Council

Signed at Hobart this 24 day of August 2010

Davern Dixon

CHARTERED ACCOUNTANTS
A.C.N. 009 513 482 PTY LTD

Directors

Peter C Dixon FCA
Christopher J Bishop FCA
Roger G McBain CA

26 Elizabeth Street
Launceston Tas 7250

P O Box 872

Telephone (03) 6331 5133
Facsimile (03) 6331 3623

Email: mail@davern Dixon.com.au

Independent Auditor's Report to the Members of Shop, Distributive and Allied Employees Association, Tasmanian Branch

The accompanying concise financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch for the year ended 30 June 2010 and the discussion and analysis as set out on pages 6 to 13. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

State Council's Responsibility for the Concise Financial Report

The State Council is responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, the union's constitution and the requirements imposed by Part 3 of Chapter 8 of the Registration and Accountability of Organisations (RAO) Schedule of the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch for the year ended 30 June 2010. Our auditor's report on the financial report for the year was signed on 26th August 2010 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures

have been undertaken to form an opinion whether, in all material respects, the concise financial report, including the discussion and analysis, complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

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

Auditor's Independence Declaration

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

Auditor's Opinion

In our opinion, the concise financial report, including the discussion and analysis of Shop, Distributive and Allied Employees Association, Tasmanian Branch for the year ended 30 June 2010 complies with Accounting Standard AASB 1039 *Concise Financial Reports*, the union's constitution and the requirements imposed by Part 3 of Chapter 8 of the Registration and Accountability of Organisations (RAO) Schedule of the Workplace Relations Act 1996.



DAVERN DIXON

Peter Dixon
Partner
Chartered Accountants
Launceston, 26th August 2010

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH

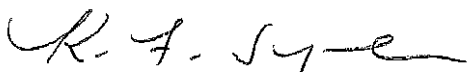
DECLARATION BY STATE COUNCIL

In the opinion of the State Council:

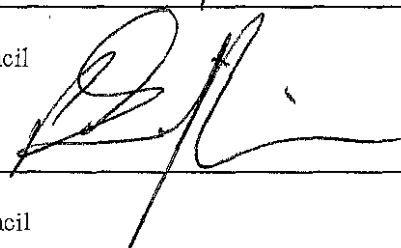
The State Council of Shop, Distributive and Allied Employees Association, Tasmanian Branch declare that the concise financial report for the financial year ended 30 June 2010 as set out on pages 6 to 13:

- (a) Complies with Accounting Standard AASB 1039 Concise Financial reports; and
- (b) is an extract from the full financial report for the year ended 30 June 2010 and has been derived from and is consistent with the full financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch.

This declaration is made in accordance with a resolution of the State Council dated 24 August 2010



Name:
State Council



Name:
State Council

Signed at Hobart this 24 day of August 2010

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Concise Financial Report

The concise financial report is an extract from the full financial report for the year ended 30 June 2010. The financial statements and disclosures in the concise financial report have been derived from the 2010 financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Shop Distributive and Allied Employees Association, Tasmanian Branch financial statements and the information contained in the concise financial report has been derived from the full 2010 financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch.

Statement of comprehensive income

Revenue has increased by 9.4% to \$1,641,286. This has primarily been driven by increased membership revenue.

Net profit for the year after income tax amounted to \$139,096. The increase in profit is primarily due to increased memberships and the cessation of the AFS corporate sponsorship.

Statement of financial position

Trade and other receivables has increased by 123.5% to \$154,019. This has primarily been driven by the timing of receipts of subscription fees.

Statement of cash flows

Decrease in cash flows in primarily due to an increase in debtors in the current year.

Members access to financial records

Pursuant to subsection 272(5) of the RAO Schedule, the following information is drawn to the attention of members:

- (1) A member of a reporting unit, or a Registrar, may apply to the association for specific prescribed information in relation to the association 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 association.
- (3) The association must comply with an application made under subsection (1).

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Revenue	3	1,641,286	1,500,254
Administration expenses - other		17,049	26,641
Advertising		11,281	16,952
Affiliation fees - SDAEA National Office		124,567	115,318
Affiliation fees - SDAEA International Fund		37,370	34,595
Affiliation fees - Union Tasmania		30,120	26,909
Affiliation fees - ALP Tasmania		12,637	13,062
Audit fees		10,921	8,899
Branch journal		79,276	80,756
Campaigns		11,843	382
Commissions paid to employers		134,667	132,604
Computer expenses		3,434	9,624
Consulting		15,187	18,536
Delegates expenses		30,385	29,784
Depreciation		45,896	37,296
Employee benefits - officials		74,817	73,034
Employee benefits - employees		366,631	347,687
Fares and organising expenses		31,753	59,608
Fringe benefits tax		21,912	19,242
Functions		13,902	26,085
Gifts and presentations		26,236	22,736
Grants and donations		12,043	6,109
Legal fees		6,380	4,796
Light and power		4,008	3,178
Loss on sale of fixed assets		-	1,704
Meeting expenses		903	252
Member benefits		2,957	3,560
Motor vehicle expenses		43,355	48,082
Movie tickets		68,598	65,609
National Council expenses		41,885	7,498
Postage and freight		24,729	20,304
Presidential card		42,527	40,929
Printing and stationery		32,757	26,670
Rates and taxes		11,514	10,278
Repairs and maintenance		6,358	4,379
Scholarship vouchers		62,721	55,623
Scholarship - AFS Corporate		-	22,230
Subscriptions		1,157	1,706
Telephone		40,414	37,299
Profit before tax		139,096	40,298
Income tax expense		-	-
Profit for the year		139,096	40,298
Other comprehensive income		-	-
Total comprehensive income for the year		139,096	40,298

Notes to the financial statements are attached on pages 11 to 13

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Note	2010 \$	2009 \$
Current assets			
Cash and cash equivalents		1,478,812	1,407,637
Trade and other receivables		154,019	68,909
Inventories		17,258	6,806
Total current assets		<u>1,650,089</u>	<u>1,483,352</u>
Non-current assets			
Property, plant and equipment		500,796	538,521
Total non-current assets		<u>500,796</u>	<u>538,521</u>
Total assets		<u>2,150,885</u>	<u>2,021,873</u>
Current liabilities			
Trade and other payables		60,448	86,812
Provisions		105,456	92,035
Total current liabilities		<u>165,904</u>	<u>178,847</u>
Non-current liabilities			
Provisions		23,097	20,238
Total non-current liabilities		<u>23,097</u>	<u>20,238</u>
Total liabilities		<u>189,001</u>	<u>199,085</u>
Net assets		<u>1,961,884</u>	<u>1,822,788</u>
Equity			
Retained earnings		1,798,668	1,659,572
Reserves		163,216	163,216
Total equity		<u>1,961,884</u>	<u>1,822,788</u>

Notes to the financial statements are attached on pages 11 to 13

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Reserves	Retained earnings	Total
	\$	\$	\$
Balance at 1 July 2008	163,216	1,619,274	1,782,490
Profit for the period	-	40,298	40,298
Balance at 30 June 2009	<u>163,216</u>	<u>1,659,572</u>	<u>1,822,788</u>
Balance at 1 July 2009	163,216	1,659,572	1,822,788
Profit for the period	-	139,096	139,096
Balance at 30 June 2010	<u>163,216</u>	<u>1,798,668</u>	<u>1,961,884</u>

Notes to the financial statements are attached on pages 11 to 13

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Cash flows from operating activities			
Receipts from members and other third parties		1,527,052	1,465,906
Payment to suppliers and employees		<u>(1,559,177)</u>	<u>(1,392,102)</u>
Net cash provided by/ (used in) operating activities		<u>(32,125)</u>	<u>73,804</u>
Cash flows from investing activities			
Interest received		56,392	88,450
Payments for property, plant and equipment		(8,172)	(36,190)
Proceeds from sale of property, plant and equipment		<u>-</u>	<u>1,364</u>
Net cash provided by/(used in) investing activities		<u>48,220</u>	<u>53,624</u>
Net decrease in cash and cash equivalents		16,095	127,428
Cash and cash equivalents at the beginning of the financial year		<u>1,407,637</u>	<u>1,280,209</u>
Cash and cash equivalents at the end of the financial year		<u>1,423,732</u>	<u>1,407,637</u>

Notes to the financial statements are attached on pages 11 to 13

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE CONCISE FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

1. Basis of preparation

The concise financial report is an extract from the full financial report for the year ended 30 June 2010. The concise financial report has been prepared in accordance with Accounting Standards AASB 1039 *Concise Financial Reports* and Part 3 of Chapter 8 of the Registration and accountability of organisations (RAO) schedule of the Workplace Relations Act 1996.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Shop, Distributive and Allied Employees Association, Tasmanian Branch as the full financial report. A copy of the financial report and auditor's report will be sent to any member, free of charge, upon request.

2. Adoption of new and revised Accounting Standards

2.1 Standards and Interpretations affecting amounts reported in the current period (and/or prior periods)

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported in these financial statements. Details of other Standards and Interpretations adopted in these financial statements but that have had no effect on the amounts reported are set out in section 2.2

Standards affecting presentation and disclosure

AASB 101 *Presentation of Financial Statements* (as revised in September 2007), AASB 2007-8 *Amendments to Australian Accounting Standards arising from AASB 101* and AASB 2007-10 *Further Amendments to Australian Accounting Standards arising from AASB 101*

AASB 101 (September 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

AASB 2009-2 *Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments*

The amendments to AASB 7 expand the disclosures required in respect of fair value measurements and liquidity risk. The association has elected not to provide comparative information for these expanded disclosures in the current year in accordance with the transitional reliefs offered in these amendments.

Amendments to AASB 107 *Statement of Cash Flows* (adopted in advance of effective date of 1 January 2010)

The amendments (part of AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project) specify that only expenditures that result in a recognised asset in the statement of financial position can be classified as investing activities in the statement of cash flows.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE CONCISE FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

2. Adoption of new and revised Accounting Standards (cont'd)

2.2 Standards and Interpretations adopted with no effect on financial statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project and AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

In addition to the changes affecting amounts reported in the financial statements described at 2.1 above, the amendments have led to a number of changes in the detail of the Union's accounting policies – some of which are changes in terminology only, and some of which are substantive but have no material effect on amounts reported.

AASB 2009-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project and AASB 2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project

Amendments have led to a number of changes in the detail of the Union's accounting policies – some of which are changes in terminology only, and some of which are substantive but have had no material effect on amounts reported. Except as noted in 2.3 below, the changes in AASB 2009-5 have been adopted in advance of their effective dates of 1 January 2010.

2.3 Standards and Interpretations in issue but not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
· AASB 2009-5 <i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project</i>	1 January 2010	30 June 2011
· AASB 124 <i>Related Party Disclosures</i> (revised December 2009), AASB 2009-12 <i>Amendments to Australian Accounting Standards</i>	1 January 2011	30 June 2012
· AASB 9 Financial Instruments, AASB 2009-	1 January 2013	30 June 2014

The following IASB Standards and IFRIC Interpretations are also in issue but not yet effective, although Australian equivalent Standards/Interpretations have not yet been issued.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
None at the time of publication		

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
3. Revenue		
An analysis of the Union's revenue for the year, from continuing operations, is as follows:		
Revenue from member subscriptions	<u>1,535,805</u>	<u>1,370,233</u>
Interest revenue		
Cash and cash equivalents	<u>56,392</u>	<u>88,450</u>
Movie ticket sales	25,077	19,136
Car park rent	6,808	7,405
Other	<u>17,204</u>	<u>15,030</u>
	<u>49,089</u>	<u>41,571</u>
	<u>1,641,286</u>	<u>1,500,254</u>

4. Subsequent events

There has not been any matter or circumstance that has significantly affected, or may significantly affect, the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.