



13 January 2016

Mr Paul Griffin  
General Secretary-Treasurer  
Shop Distributive & Allied Employees Association, Tasmanian Branch  
72 York Street  
LAUNCESTON TAS 7250

via email: [secretary@sdatas.asn.au](mailto:secretary@sdatas.asn.au)

Dear Mr Griffin

**The Shop Distributive & Allied Employees Association Tasmanian Branch Financial Report for the year ended 30 June 2015 - [FR2015/204]**

I acknowledge receipt of the financial report of the Shop Distributive & Allied Employees Association Tasmanian Branch (the reporting unit). The documents were lodged with the Fair Work Commission (FWC) on 24 December 2015.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

**Reporting Requirements**

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

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03) 8656 4681 or by email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

**Shop Distributive and Allied Employees Association – Tasmania Branch**

*s.268 Fair Work (Registered Organisations) Act 2009*

**DESIGNATED OFFICER'S CERTIFICATE OR OTHER AUTHORISED OFFICER**

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

- that the documents lodged herewith are copies of the full report for the Shop Distributive and Allied Employees Association – Tasmania Branch for the period ended 30<sup>th</sup> June 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 18<sup>th</sup> September 2015; and
- that the full report was presented to *a general meeting of members and a meeting of the State Council* of the reporting unit on 17/12/15 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer:

Mr Paul Griffin

Title of prescribed designated officer:

General Secretary

Dated:

24<sup>th</sup> December 2015

## **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 2015, the statement of profit or loss and other comprehensive income, the statement of cash flows, the statement of changes in equity, the recovery of wages activity for the year then ended and the detailed statement of profit or loss, notes comprising a summary of significant accounting policies and other explanatory information, and the declaration by state council as set out on pages 3 to 24.

### *The State Council's Responsibility for the Financial Report*

The State Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the association's constitution and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, and for such internal control as the State Council determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

### *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. Those 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.

As part of an audit, as set out in auditing standard ASA 570 Going Concern, the auditor considers the appropriateness of management's use of the going concern assumption in the preparation of the financial statements. In particular, going concern means that an entity is expected to be able to pay its debts as and when they fall due for a relevant period of approximately twelve months from the date of the auditor's report. Our opinion below contained an unmodified audit opinion. This indicates that we as auditors are satisfied as at the date of signing the opinion that it was appropriate, based on our evaluation of management's assessment of Shop, Distributive and Allied Employees Association, Tasmanian Branch ability to continue as a going concern, for management to prepare the financial report on a going concern basis. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

*Opinion*

In our opinion, the financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch presents fairly, in all material respects, the association's financial position as at 30 June 2015 and its financial performance for the year then ended in accordance with Australian Accounting Standards and the association's constitution and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Rod Whitehead is an approved auditor under section 256 of the Fair Work (Registered Organisations) Act 2009. He is a member of The Institute of Chartered Accountants in Australia and holds a current Public Practice Certificate.



DELOITTE TOUCHE TOHMATSU



Rod Whitehead

Partner

Chartered Accountants

Launceston, 7 September 2015

Correspondence directed to:

**Paul Griffin**  
**GENERAL SECRETARY**

P.O BOX 1289  
LAUNCESTON, TASMANIA 7250

EMAIL: [secretary@sdatas.asn.au](mailto:secretary@sdatas.asn.au)

WEBSITE: [www.sdatas.asn.au](http://www.sdatas.asn.au)



**TASMANIA BRANCH**  
ABN: 25 567 586 269

7 September 2015

**Deloitte Touche Tohmatsu**  
**117 Cimitero Street**  
**LAUNCESTON TAS 7250**

Dear Sir/Madam,

This representation letter is provided in connection with your audit of the general purpose financial report of Shop Distributive and Allied Employees Association for the year ended 30 June 2015, for the purpose of expressing an opinion as to whether the general purpose financial report is presented fairly, in all material respects, in accordance with the association's constitution and the requirements imposed Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations).

We confirm that:

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 15 June 2015, for the preparation of the general purpose financial report in accordance with the association's constitution and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; in particular the financial report is presented fairly, in all material respects, in accordance therewith.
2. We have provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the general purpose financial report such as records, documentation and other matters;
  - Additional information that you have requested from us for the purpose of the audit;
  - Unrestricted access to the persons within the entity from whom you determined it necessary to obtain audit evidence; and
  - All requested information, explanations and assistance for the purposes of the audit.
3. All transactions have been recorded in the accounting records and are reflected in the financial report.
4. We are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
5. We have disclosed to you the results of our assessment of the risk that the general purpose financial report may be materially misstated as a result of fraud.
6. There has been no fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal control or others where the fraud could have a material effect on the general purpose financial report.

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**HEAD OFFICE**

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

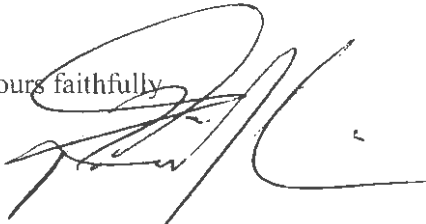
**HOBART OFFICE**

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

7. There have been no allegations of fraud, or suspected fraud, affecting the entity's general purpose financial report communicated by employees, former employees, analysts, regulators or others.
8. There have been no instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the general purpose financial report.
9. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
10. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
11. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
12. All known actual or possible litigation and claims whose effects should be considered when preparing the general purpose financial report have been disclosed to you and accounted for and disclosed in accordance with the Australian Accounting Standards.
13. The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the financial report as a whole.
14. All events occurring subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed within the general purpose financial report.
15. The selection and application of accounting policies as described in Note 3 in the financial report are appropriate.
16. We have no plans or intentions that may affect the carrying value or classification of assets and liabilities.
17. Liabilities, both actual and contingent, have been properly recorded and, when appropriate, adequately disclosed in the general purpose financial report.
18. The entity has satisfactory title to, or control over all assets and there are no liens or encumbrances on such assets that have not been disclosed nor has any asset been pledged as collateral.
19. We have properly recorded and, when appropriate, adequately disclosed in the financial report the affects of any laws, regulations and contractual agreements on the general purpose financial report, including non-compliance.
20. We have communicated to you all deficiencies in internal control of which we are aware.
21. We have disclosed to you all financial guarantees that we have given to third parties and we have accounted for these guarantees in accordance with the requirements of AASB 139 "Financial Instruments Recognition and Measurement".

We understand that your audit was conducted in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the general purpose financial report of the entity taken as a whole, and that your test of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

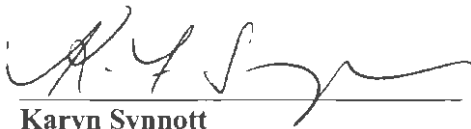


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**Paul Griffin**  
General Secretary

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**7 September 2015**



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**Karyn Synnott**  
State Council President

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**7 September 2015**

Appendix A to the Management Representation Letter

Account Name	Assets	Liabilities	Retained Earnings	Other Equity	Income Statement	Total
	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)
<b>Known misstatements</b>						
Nil						
<b>Likely misstatements</b>						
Overstatement of recoverable loan receivable	(2,000)				2,000	
<b>Carry over effects of prior year misstatements</b>						
Nil						
	(2,000)	0	0	0	2,000	0

Disclosure Deficiency Identified	Entity Impacted	Amount (where applicable)	Reference
None identified			



# **Shop, Distributive and Allied Employees Association**

**Tasmanian Branch**

**Annual Financial Report**  
Year Ended 30 June 2015

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

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

**Review of principal activities**

The principal activities of the Shop, Distributive and Allied Employees Association - Tasmanian Branch (the Association) during the year were to promote the interests of its members through a quarterly journal and other publications outlining implementation of any new enterprise agreements, wage increases and changes to industrial legislation both Federal and State.

To set targets of member recruitment in each company where the Association had members, to attain eventual 100% membership with a calendar year goal in excess of 6,000 members.

**Significant changes in financial affairs**

There were no significant changes in the financial affairs of the Association.

**Right of members to resignation**

A member may resign in accordance with Branch Rule 12.

**Officers or employees who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee**

General Secretary/Treasurer, Paul Griffin is a Director of the Tasplan Superannuation Fund.

**Number of members**

The Shop Distributive and Allied Employees Association, Tasmanian Branch, reached 5,731 members as at 30 June 2015 (2014: 5,831) which included both honorary and life members.

**Number of employees**

The Association employed sixteen staff which includes one part-time and seven casual staff.

**Names of State Council members and positions held during the financial year**

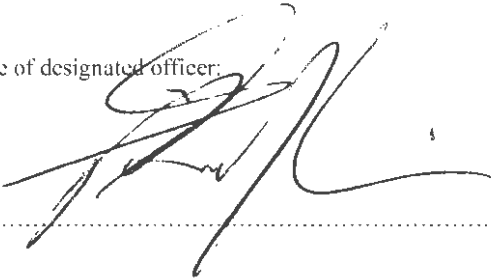
General President:	Karen Synott
Vice President:	James Fitzpatrick
General Secretary/Treasurer:	Paul Griffin
State Councillors:	Tania Venn
	Leanne Porter
	Katrina Barr
	Lisa Watson
	Isabell Wells
	Katrina Riesley

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

**Officers or employees who are directors of a company or a member of a board**

Officers and employees are not directors of any companies, nor are they members of a board.

Signature of designated officer:



Name and title of designated officer:

Paul Orlando Griffin — General Secretary

Dated

07 09. 2015

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
DECLARATION BY STATE COUNCIL**

*For the year ended 30 June 2015*

On the 7 September 2015 of the State Council of the Shop, Distributive and Allied Employees Association, Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2015:

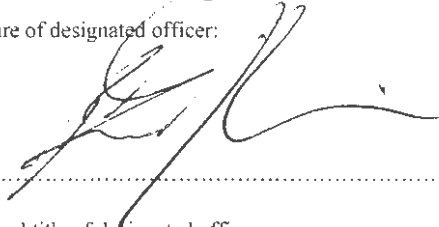
The State Council declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR 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 the rules of a 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 a branch concerned;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 (RO Act);
  - (iv) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, this has been provided to the member or General Manager; and
  - (v) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance; and
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
DECLARATION BY STATE COUNCIL

This declaration is made in accordance with a resolution of the State Council.

Signature of designated officer:



Name and title of designated officer:

Paul Orlando Griffin — General Secretary

Dated

07. 09. 15.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>Continuing Operations</b>			
<b>Revenue</b>			
Membership dues	4(a)	1,788,152	1,767,069
Capitation fees	4(b)	-	-
Levies	4(c)	-	-
Interest	4(d)	56,718	67,686
Other revenue	4(e)	83,812	91,811
		1,928,682	1,926,566
<b>Expenditure</b>			
Direct member benefits expenses		268,964	329,646
Affiliation fees	5(a)	15,031	14,158
Capitation fees	5(b)	201,926	203,356
Marketing expenses		118,794	114,458
Occupancy expenses		35,726	44,639
Administration expenses	5(c)	430,991	422,737
Employee benefits expenses	5(d)	698,558	671,296
Grants or donations	5(e)	7,800	27,073
Motor vehicle expenses		53,898	58,401
Depreciation	5(f)	47,552	51,055
Legal costs	5(g)	-	-
Other expenses	5(h)	-	-
		49,442	(10,253)
<b>Profit/(Loss) before tax</b>		49,442	(10,253)
Income tax expense		-	-
		49,442	(10,253)
<b>Profit/(Loss) from the year from continuing operations</b>		49,442	(10,253)
<b>Other comprehensive income, net of income tax</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive income/(loss) for the year</b>		49,442	(10,253)

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>Current assets</b>			
Cash and bank balances	16(a)	2,196,169	2,130,857
Trade and other receivables	6	116,997	108,480
Inventories	7	9,257	9,478
<b>Total current assets</b>		<u>2,322,423</u>	<u>2,248,815</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	470,298	513,436
<b>Total non-current assets</b>		<u>470,298</u>	<u>513,436</u>
<b>Total assets</b>		<u>2,792,721</u>	<u>2,762,251</u>
<b>Current liabilities</b>			
Trade and other payables	9	64,461	84,778
Provisions	10	181,707	175,161
<b>Total current liabilities</b>		<u>246,168</u>	<u>259,939</u>
<b>Non-current liabilities</b>			
Provisions	10	2,449	7,649
<b>Total non-current liabilities</b>		<u>2,449</u>	<u>7,649</u>
<b>Total liabilities</b>		<u>248,617</u>	<u>267,588</u>
<b>Net assets</b>		<u>2,544,105</u>	<u>2,494,663</u>
<b>Equity</b>			
Retained earnings	11	2,380,889	2,331,447
Reserves	12	163,216	163,216
<b>Total equity</b>		<u>2,544,105</u>	<u>2,494,663</u>

The Statement of Financial Position should be read in conjunction with the notes to the financial statements.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	<b>Reserves</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2013	163,216	2,341,700	2,504,916
Profit / (Loss) for the year	-	(10,253)	(10,253)
Other comprehensive income for the year	-	-	-
<b>Balance at 30 June 2014</b>	<u>163,216</u>	<u>2,331,447</u>	<u>2,494,663</u>
Balance at 1 July 2014	163,216	2,331,447	2,494,663
Profit / (Loss) for the year	-	49,442	49,442
Other comprehensive income for the year	-	-	-
<b>Balance at 30 June 2015</b>	<u>163,216</u>	<u>2,380,889</u>	<u>2,544,105</u>

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.



**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
<b>Cash flows from operating activities</b>			
Receipts from members and other third parties		2,196,623	2,104,269
Payment to suppliers and employees		<u>(2,183,615)</u>	<u>(2,056,528)</u>
Net cash provided by operating activities	16(b)	<u>13,008</u>	<u>47,741</u>
<b>Cash flows from investing activities</b>			
Interest received		56,718	67,686
Payments for property, plant and equipment		(4,414)	(38,899)
Proceeds from sale of property, plant and equipment		<u>-</u>	<u>-</u>
Net cash provided by investing activities		<u>52,304</u>	<u>28,787</u>
<b>Net increase in cash and cash equivalents</b>		65,312	76,528
<b>Cash and cash equivalents at the beginning of the financial year</b>		<u>2,130,857</u>	<u>2,054,329</u>
<b>Cash and cash equivalents at the end of the financial year</b>	16(a)	<u>2,196,169</u>	<u>2,130,857</u>

The Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
RECOVERY OF WAGES ACTIVITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

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

The Statement of Recovery of Wages Activity should be read in conjunction with the 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 2015**

**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 Association'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 New and revised AASBs affecting amounts reported and/or disclosures in the financial statements**

In the current year, the Association has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not had a material impact on the current or prior periods.

**2.2 Standards and Interpretations in issue but not yet effective**

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

AASB 9 'Financial Instruments', and the relevant amending standards	Effective for annual reporting periods beginning on or after 1 January, 2018
AASB 14 Regulatory Deferral Accounts	Effective to annual reporting periods beginning on or after 1 January, 2016
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	Effective to annual reporting periods beginning on or after 1 January, 2018
AASB 2014-4 'Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation'	Effective to annual reporting periods beginning on or after 1 January, 2016
AASB 2015-1 'Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	Effective to annual reporting periods beginning on or after 1 January, 2016
AASB 2015-2 'Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101'	Effective to annual reporting periods beginning on or after 1 January, 2016
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	Effective to annual reporting periods beginning on or after 1 January, 2015

The Association has not, as at the date of this report, assessed the future impact of the Australian Accounting Standards and Interpretations in issue but are not effective for the current year end. The Association does not intend to adopt any of these pronouncements before their effective dates.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

### 3. Significant accounting policies

#### Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Association's constitution, the requirements of the Fair Work (Registered Organisations) Act 2009, Australian Accounting Standards and Interpretations, and complies with other requirements of the law. The financial report includes the financial statements of the Association. For the purposes of preparing the financial statements, the Association is a not-for-profit entity.

The financial statements were authorised for issue by the State Council on 7 September 2015.

#### Basis of preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Historical 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:

#### (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.

#### (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 through profit or loss which are initially measured 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 income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

#### 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.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

**3. Significant accounting policies (cont'd)**

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.

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 Association 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 1997, as amended.

**(g) Inventories**

Inventories are valued at the lower of cost and net realisable value. Costs 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.

**(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.

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

**3. Significant accounting policies (cont'd)**

**(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.

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

In the application of the Association'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.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	2015 \$	2014 \$
<b>4. Revenue</b>		
An analysis of the Association's revenue for the year, from continuing operations, is as follows:		
<b>(a) Revenue from member subscriptions</b>	<u>1,788,152</u>	<u>1,767,069</u>
<b>(b) Capitation fees</b>	<u>-</u>	<u>-</u>
<b>(c) Levies</b>	<u>-</u>	<u>-</u>
<b>(d) Interest</b>	<u>56,718</u>	<u>67,686</u>
<b>(e) Other revenue</b>		
Movie ticket sales	58,195	54,788
Car park rent	9,873	9,560
Other	<u>15,744</u>	<u>27,463</u>
	<u>83,812</u>	<u>91,811</u>
	<u>1,928,682</u>	<u>1,926,566</u>
<b>5. Profit for the year</b>		
Profit for the year has been arrived at after recognising the following gains and losses:		
<b>(a) Affiliation fees</b>		
Australian Labour Party - Tasmania	<u>15,031</u>	<u>14,158</u>
<b>(b) Capitation fees</b>		
Unions Tasmania	33,592	32,760
SDAEA National Account	146,377	148,344
SDAEA International Fund	<u>21,957</u>	<u>22,252</u>
	<u>201,926</u>	<u>203,356</u>
<b>(c) Administration fees</b>		
Consideration to employers for payroll deductions		
Commissions paid to employers	160,868	156,924
Compulsory levies	-	-
Delegate meetings and training	46,739	48,523
Meeting expenses	721	589
Other administration costs	<u>222,663</u>	<u>216,701</u>
	<u>430,991</u>	<u>422,737</u>
<b>(d) Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	72,953	67,341
Superannuation	7,576	7,139
Leave and other entitlements	7,927	11,553
Separation and redundancies	-	-
Other employee expenses	<u>23,692</u>	<u>29,414</u>
	<u>112,148</u>	<u>115,447</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

**5. Profit for the year (cont.)**

**(d) Employee expenses (cont.)**

	2015	2014
	\$	\$
<b>Employees other than office holders:</b>		
Wages and salaries	400,731	369,901
Superannuation	43,557	40,836
Leave and other entitlements	67,924	90,368
Separation and redundancies	-	-
Other employee expenses	74,198	54,744
	586,410	555,849
<b>Total employee expenses</b>	698,558	671,296

**(e) Grants or donations**

Grants:

Total paid that were \$1,000 or less

-

-

Total paid that exceeded \$1,000

-

-

Donations:

Total paid that were \$1,000 or less

7,800

7,075

Total paid that exceeded \$1,000

-

19,998

7,800

27,073

**(f) Depreciation and amortisation**

Depreciation of non-current assets

47,552

51,055

47,552

51,055

**(g) Legal costs**

Litigation

-

-

Other legal matters

-

-

-

-

**(h) Other expenses**

Penalties - via RO Act or RO Regulations

-

-

-

-

**6. Trade and other receivables**

Subscriptions in arrears	80,063	83,966
Sundry debtors and prepayments	16,829	14,467
Car park debtors	1,140	1,020
Member and employee loans	18,965	9,027
Receivables from other reporting units	-	-
	116,997	108,480
Less provision for doubtful debts	-	-
<b>Net trade and other receivables</b>	116,997	108,480

The average credit period on sales is 60 days. No interest is charged on outstanding trade receivables. Included in the Association's trade receivables are an immaterial amount of debtors greater than 90 days.

The Association has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and amounts receivable are still considered recoverable.

**7. Inventories**

Movic tickets	9,257	9,478
	9,257	9,478



**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

**8. Property, plant and equipment**

	Freehold land at cost \$	Buildings at cost \$	Plant and equipment at cost \$	Low value pool \$	Total \$
<b>Gross carrying amount</b>					
Balance at 30 June 2013	150,000	302,204	335,450	127,977	915,631
Additions	-	-	36,966	1,933	38,899
Disposals	-	-	-	-	-
Balance at 30 June 2014	150,000	302,204	372,416	129,910	954,530
Additions	-	-	3,095	1,319	4,414
Disposals	-	-	-	-	-
Balance at 30 June 2015	150,000	302,204	375,511	131,229	958,944
<b>Accumulated depreciation</b>					
Balance at 30 June 2013	-	(74,052)	(191,701)	(124,286)	(390,039)
Depreciation expense	-	(6,074)	(43,234)	(1,747)	(51,055)
Disposals	-	-	-	-	-
Balance at 30 June 2014	-	(80,126)	(234,935)	(126,033)	(441,094)
Depreciation expense	-	(6,075)	(40,503)	(974)	(47,552)
Disposals	-	-	-	-	-
Balance at 30 June 2015	-	(86,201)	(275,438)	(127,007)	(488,646)
<b>Net book value</b>					
As at 30 June 2014	150,000	222,078	137,481	3,877	513,436
As at 30 June 2015	150,000	216,003	100,073	4,222	470,298

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

Class of asset	Depreciation rate
Buildings	2% - 2.5%
Plant and equipment	15% - 30%
Low value pool	10% - 38%

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

	2015 \$	2014 \$
Buildings	6,075	6,074
Plant and equipment	40,503	43,234
Low value pool	974	1,747
	<u>47,552</u>	<u>51,055</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	2015 \$	2014 \$
<b>9. Trade and other payables</b>		
Trade payables	20,818	30,860
Accruals	7,251	6,895
Other payables	592	13,630
Net GST payable	35,800	33,393
Payables to other reporting units	-	-
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
	64,461	84,778

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

**10. Provisions**

**Employee Provisions**

Office Holders

Annual Leave	17,795	17,611
Long Service Leave	65,572	61,491
Separation and redundancies	-	-
Other	-	-
	83,367	79,102

Employees other than office holders:

Annual Leave	50,438	54,377
Long Service Leave	50,351	49,331
Separation and redundancies	-	-
Other	-	-
	100,789	103,708
	184,156	182,810
Current	181,707	175,161
Non Current	2,449	7,649
	184,156	182,810

**11. Retained Earnings**

Balance at beginning of financial year	2,331,447	2,341,700
Net profit/(loss) attributable to members of the Association	49,442	(10,253)
Balance at end of financial year	2,380,889	2,331,447

**12. Reserves**

**Asset revaluation reserve**

Balance at beginning of financial year

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

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

**12. Reserves (cont.)**

The asset revaluation reserve relates to land and buildings that were previously carried at valuation. Land and buildings are now carried at deemed 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.

**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 Association during the year were:

General President:	Karyn Synnott
Branch Vice President:	James Fitzpatrick
General Secretary:	Paul Griffin
State Committee:	
	Tania Venn
	Leanne Porter
	Katrina Barr
	Lisa Watson
	Isabell Wells
	Katrina Riseley

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

	2015	2014
	\$	\$
Short-term employee benefits	80,880	78,894
Post-employment benefits	7,576	7,139
Other long term employee benefits	-	-
Termination benefits	-	-
Share based benefits	-	-
	<u>88,456</u>	<u>86,033</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.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

**(b) Transactions with other related parties**

Other related parties include:

- SDAEA National Office
- SDAEA International Fund

**14. Key management personnel remuneration (cont.)**

**(c) 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 parties:

- (a) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual capitation fees to SDAEA National Office of \$146,377 (2014:\$148,344)
- (b) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual capitation fees to SDAEA International Fund of \$21,957 (2014:\$22,252)
- (c) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual affiliation fees to ALP Tasmania of \$15,031 (2014:\$14,158)
- (d) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual capitation fees to Unions Tasmania \$33,592 (2014:\$32,760)

	2015	2014
	\$	\$
<b>15. Remuneration of auditors</b>		
<b>Auditor of the Association:</b>		
Audit of the financial report	12,620	9,375
Taxation services	11,615	8,050
	24,235	17,425

The auditor of Shop, Distributive and Allied Employees Association, Tasmanian Branch is Deloitte Touche Tohmatsu.

**16. Notes to the statement of cash flows**

**(a) Reconciliation of cash and cash equivalents**

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

For the purposes of the statement of cash flow, 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 statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Petty cash - Launceston	100	100
Petty cash - Hobart	100	100
Cash at bank - trading account	559,005	550,205
CBA Term Deposit	1,585,592	1,530,176
CBA Online saver	51,372	50,276
	<u>2,196,169</u>	<u>2,130,857</u>

**16. Notes to the statement of cash flows (cont.)**

	2015 \$	2014 \$
<b>(b) Reconciliation of profit for the year to net cash flows from operating activities:</b>		
Profit/(loss) from the year	49,442	(10,253)
Depreciation and amortisation	47,552	51,055
Interest income received and receivable	(56,718)	(67,686)
<b>(Increase)/decrease in assets:</b>		
Trade and other receivables	(8,518)	91,682
Inventories	221	(4,025)
<b>Increase/(decrease) in liabilities:</b>		
Trade and other payables	(20,317)	(22,098)
Provisions	1,346	9,066
<b>Net cash generated by operating activities</b>	<u>13,008</u>	<u>47,741</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

**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 Association's short, medium, and long-term funding and liquidity management requirements. The Association manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**Liquidity and interest risk tables**

liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Association 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 \$
<b>2015</b>						
Non-interest bearing	-	64,461	-	-	-	64,461
		<u>64,461</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,461</u>
<b>2014</b>						
Non-interest bearing	-	84,778	-	-	-	84,778
		<u>84,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,778</u>

The following tables detail the Association'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 Association 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 \$
<b>2015</b>						
Non-interest bearing	-	676,202	-	-	-	676,202
Fixed interest rate instruments	3.00%	-	-	1,585,592	-	1,585,592
Variable interest rate instruments	2.06%	51,372	-	-	-	51,372
		<u>727,574</u>	<u>-</u>	<u>1,585,592</u>	<u>-</u>	<u>2,313,166</u>
<b>2014</b>						
Non-interest bearing	-	658,885	-	-	-	658,885
Fixed interest rate instruments	3.15%	-	-	1,530,176	-	1,530,176
Variable interest rate instruments	2.40%	50,276	-	-	-	50,276
		<u>709,161</u>	<u>-</u>	<u>1,530,176</u>	<u>-</u>	<u>2,239,337</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

**17. Financial Instruments (cont'd)**

**(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.

**(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 Association. The Association 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.

**(e) Interest rate sensitivity analysis**

The Association holds both fixed interest rate and variable interest rate investments.

As at 30 June 2015, the Association holds \$1,585,292 in a fixed rate term deposit. Interest rate exposure is minimal.

As at 30 June 2015, the Association holds \$51,372 in a variable rate account at 1.5% interest rate. Interest income on this account was less than \$2,000 for the financial year, therefore, interest rate exposure is considered minimal.

**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 Association, the results of those operations, or the state of affairs of the Association in future financial years.

**19. Section 272 Fair Work (Registered Organisations) Act 2009**

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

Information to be provided to members or General Manager:

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

**20. Segment information**

The Association operates in one geographical location, Tasmania. All operating income is derived from member subscriptions. All costs are related to providing services to its members.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
DETAILED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$		2014 \$
Revenue	1,928,682		1,926,566
Commissions paid to employers	160,868		156,924
Affiliation fees	216,957		217,514
Marketing expenses	118,794		114,458
<i>Campaigns</i>	14,633	35,179	
<i>Promotional and presentations</i>	42,824	39,182	
<i>Accident insurance - members</i>	25,739	25,222	
<i>Movie Tickets</i>	54,970	77,127	
<i>Presidential Card</i>	58,395	83,000	
<i>Scholarship Vouchers</i>	72,403	69,936	
Direct member benefits expenses	268,964		329,646
<i>Contractors</i>	448	5,211	
<i>Insurance - Building &amp; Content</i>	5,914	5,878	
<i>Light &amp; Power</i>	3,147	5,712	
<i>Rates &amp; Land Tax</i>	15,524	19,318	
<i>Repairs &amp; Maintenance - Building</i>	2,732	1,810	
<i>Repairs &amp; Maintenance - Office</i>	7,961	6,710	
Occupancy expenses	35,726		44,639
<i>Audit fees</i>	12,620	9,375	
<i>Bad Debts</i>	??1	2,851	
<i>Bank Fees</i>	8	400	
<i>Computer Expenses</i>	31,434	16,445	
<i>Consulting</i>	10,000	7,449	
<i>Delegate Expenses</i>	5,306	6,754	
<i>Delegates Meetings &amp; Training</i>	46,739	48,523	
<i>Fines</i>	194	176	
<i>Meeting Expenses</i>	721	589	
<i>Members Financial Assistance</i>	33,412	16,190	
<i>Merchant Fees</i>	1,941	1,398	
<i>National Council/Exec Expenses</i>	10,917	10,701	
<i>Office Expenses</i>	2,883	2,258	
<i>Postage &amp; Freight</i>	28,880	35,459	
<i>Printing &amp; Stationery</i>	33,401	60,839	
<i>Professional Fees</i>	11,615	8,050	
<i>State Council Expenses</i>	4,256	4,734	
<i>Subscriptions</i>	10,167	4,472	
<i>Sundry Expenses</i>	532	393	
<i>Telephone</i>	24,876	28,757	
Administration expenses	270,123		265,813
<i>Fares &amp; Organisers expenses</i>	879	1,449	
<i>Fares &amp; Organising Interstate</i>	37,111	28,453	
<i>FBT</i>	25,516	19,797	
<i>Functions</i>	26,150	18,772	
<i>Movement in provision for Annual Leave</i>	(3,756)	9,855	
<i>Movement in provision for Long Service Leave</i>	5,101	(789)	
<i>Staff Amenities</i>		0	
<i>Workers Comp Insurance Staff</i>	6,889	6,621	
Indirect employee Costs	97,890		84,158
<i>Employees - Salaries</i>	400,731	369,901	



SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
DETAILED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
<i>Employees - Superannuation</i>	43,557	40,836
<i>Employees - Annual/Sick Leave</i>	54,059	33,018
<i>Employees - Long Service Leave</i>	10,745	14,594
<i>Employees - Allowance</i>	3,120	3,480
<i>Employees - Parental/Maternity</i>	0	39,276
Direct Employee Expenses - Employees	512,212	501,105
<i>Officials - Salaries</i>	72,953	67,341
<i>Officials - Superannuation</i>	7,576	7,139
<i>Officials - Annual/Sick Leave</i>	7,927	11,553
<i>Officials - Long Service Leave</i>	0	0
<i>Officials - Allowance</i>	0	0
<i>Officials - Parental/Maternity</i>	0	0
Direct Employee Expenses - Officials	88,456	86,033
Motor vehicle expenses	53,898	58,401
Depreciation	47,552	51,055
Loss on sale of fixed assets	0	0
Donations	7,800	27,073
<b>Profit/(Loss) before tax</b>	49,442	(10,253)
Income tax expense	0	0
<b>Profit/(Loss) for the year</b>	49,442	(10,253)