



15 December 2016

Mr Paul Griffin  
General Secretary-Treasurer  
Shop, Distributive and 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

**Shop, Distributive and Allied Employees Association Tasmanian Branch Financial Report for the year ended 30 June 2016 - [FR2016/143]**

I acknowledge receipt of the financial report for the year ended 30 June 2016 for the Shop, Distributive and Allied Employees Association Tasmanian Branch (**the reporting unit**). The financial report was lodged with the Fair Work Commission (**FWC**) on 5 December 2016. I also acknowledge the receipt of the Auditor's Report and amended Designated Officer's Certificate on 15 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 2017 may be subject to an advanced compliance review.

**Reporting Requirements**

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

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

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

**Shop Distributive 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 2016 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 27<sup>th</sup> September 2016; and
- that the full report was presented to a *meeting of State Council* of the reporting unit on 03/12/16 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:

15<sup>th</sup> December 2016

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

**Tasmanian Branch**

**Annual Financial Report**  
Year Ended 30 June 2016

## **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 2016, 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, 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 25.

### *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.

# Deloitte.

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.

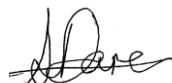
## *Opinion*

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 2016 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*.

Stuart Dare is an approved auditor under section 256 of the Fair Work (Registered Organisations) Act 2009. He is a member of the Chartered Accountants Australia and New Zealand (CA ANZ) and holds a current Public Practice Certificate.

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU



S Dare  
Partner  
Chartered Accountants  
Launceston, 21 September 2016

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER**

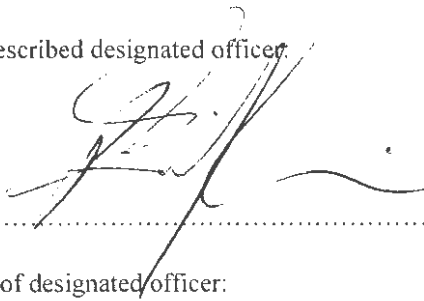
s.268 *Fair Work (Registered Organisations) Act 2009* (RO Act)

Certificate for the period ended 30 June 2016

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

- that the documents lodged herewith are copies of the full report for Shop, Distributive and Allied Employees Association for the period ended 30 June 2016 referred to in s.268 of the RO Act; and
- that the full report was provided to the State Council on 20 September 2016; and
- that the full report was presented to a general meeting of the State Council of the reporting unit on 20 September 2016 in accordance with s.266 of the RO Act.

Signature of prescribed designated officer:



Name and title of designated officer:  
Paul Orlando Griffin — General Secretary

Dated

20 09 16

**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 2016.

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

The principal activities of the 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 resign**

A member may resign in accordance with Branch Rule 12.

**Officers or members who are superannuation fund trustee(s) 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 5,423 members as at 30 June 2016 (2015: 5,731) which included both honorary and life members.

**Number of employees**

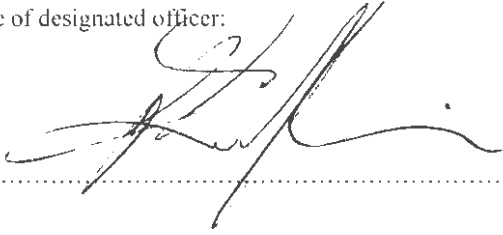
The Association employed fifteen staff which includes one part-time and seven casual staff.

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

General President:	Karyn Synnott
Vice President:	James Fitzpatrick
General Secretary/Treasurer:	Paul Griffin
State Councillors:	Tania Venn
	Aniela Harris
	Leanne Porter
	Isabell Wells
	Katrina Barr
	Katrina Riseley

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
OPERATING REPORT

Signature of designated officer:



.....

Name and title of designated officer:

Paul Orlando Griffin — General Secretary

.....

Dated

..... 20 09. 16.



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

*For the year ended 30 June 2016*

On the 20 September 2016 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 2016:

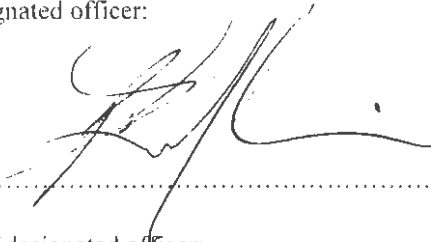
The State Council declares that in its opinion:

- (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; and
- (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; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where 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

20. 09. 16.  
.....

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>Continuing Operations</b>			
<b>Revenue</b>			
Membership dues	4(a)	1,828,776	1,788,152
Capitation fees	4(b)	-	-
Levies	4(c)	-	-
Interest	4(d)	39,955	56,718
Other revenue	4(e)	66,787	83,812
		1,935,518	1,928,682
<b>Expenditure</b>			
Direct member benefits expenses		274,621	268,964
Affiliation fees	5(a)	15,082	15,031
Capitation fees	5(b)	203,422	201,926
Marketing expenses		142,680	118,794
Occupancy expenses		37,782	35,726
Administration expenses	5(c)	443,925	430,991
Employee benefits expenses	5(d)	646,824	698,558
Grants or donations	5(e)	13,974	7,800
Motor vehicle expenses		54,754	53,898
Depreciation	5(f)	38,465	47,552
Legal costs	5(g)	-	-
Other expenses	5(h)	-	-
		63,989	49,442
<b>Profit/(Loss) before tax</b>		63,989	49,442
Income tax expense		-	-
		63,989	49,442
<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>		63,989	49,442

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 2016**

	Note	2016 \$	2015 \$
<b>Current assets</b>			
Cash and bank balances	16(a)	2,197,347	2,196,169
Trade and other receivables	6	226,278	116,997
Inventories	7	7,525	9,257
<b>Total current assets</b>		<u>2,431,150</u>	<u>2,322,423</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	440,223	470,298
<b>Total non-current assets</b>		<u>440,223</u>	<u>470,298</u>
<b>Total assets</b>		<u>2,871,373</u>	<u>2,792,721</u>
<b>Current liabilities</b>			
Trade and other payables	9	73,118	64,461
Provisions	10	186,232	181,707
<b>Total current liabilities</b>		<u>259,350</u>	<u>246,168</u>
<b>Non-current liabilities</b>			
Provisions	10	3,929	2,449
<b>Total non-current liabilities</b>		<u>3,929</u>	<u>2,449</u>
<b>Total liabilities</b>		<u>263,279</u>	<u>248,617</u>
<b>Net assets</b>		<u>2,608,094</u>	<u>2,544,105</u>
<b>Equity</b>			
Retained earnings	11	2,444,878	2,380,889
Reserves	12	163,216	163,216
<b>Total equity</b>		<u>2,608,094</u>	<u>2,544,105</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 2016**

	<b>Reserves</b>	<b>Retained earnings</b>	<b>Total</b>
	\$	\$	\$
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>
Balance at 1 July 2015	163,216	2,380,889	2,544,105
Profit / (Loss) for the year	-	63,989	63,989
Other comprehensive income for the year	-	-	-
<b>Balance at 30 June 2016</b>	<u>163,216</u>	<u>2,444,878</u>	<u>2,608,094</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 2016**

	Note	2016 \$	2015 \$
<b>Cash flows from operating activities</b>			
Receipts from members and other third parties		2,136,297	2,196,623
Payment to suppliers and employees		<u>(2,166,684)</u>	<u>(2,183,615)</u>
Net cash provided by operating activities	16(b)	<u>(30,387)</u>	<u>13,008</u>
<b>Cash flows from investing activities</b>			
Interest received		39,955	56,718
Payments for property, plant and equipment		(8,390)	(4,414)
Proceeds from sale of property, plant and equipment		<u>-</u>	<u>-</u>
Net cash provided by investing activities		<u>31,565</u>	<u>52,304</u>
<b>Net increase in cash and cash equivalents</b>		1,178	65,312
<b>Cash and cash equivalents at the beginning of the financial year</b>		<u>2,196,169</u>	<u>2,130,857</u>
<b>Cash and cash equivalents at the end of the financial year</b>	16(a)	<u>2,197,347</u>	<u>2,196,169</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 2016**

	2016	2015
	\$	\$
<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.

## 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 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15' and AASB 2015-8 'Amendments to Australian Accounting Standards - Effective Date of AASB 15' and AASB 2016-3 'Amendments to Australian Accounting Standards - Clarifications to AASB 15'	Effective to annual reporting periods beginning on or after 1 January, 2018
AASB 1057 'Application of Australian Accounting Standards' and AASB 2015-9 'Amendments to Australian Accounting Standards - Scope and Application Paragraphs'	Effective to annual reporting periods beginning on or after 1 January, 2016
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



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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 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 2015-6 'Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Non-for-Profit Public Sector Entities'

AASB 2016-2 'Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107' 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.

### **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 20 September 2016.

#### **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.

### 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 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.

#### 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.

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

#### (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.

#### (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 2016**

	2016 \$	2015 \$
<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>1,828,776</u>	<u>1,788,152</u>
<b>(b) Capitation fees</b>	<u>-</u>	<u>-</u>
<b>(c) Levies</b>	<u>-</u>	<u>-</u>
<b>(d) Interest</b>	<u>39,955</u>	<u>56,718</u>
<b>(e) Other revenue</b>		
Movie ticket sales	38,808	58,195
Car park rent	9,655	9,873
Other	<u>18,324</u>	<u>15,744</u>
	<u>66,787</u>	<u>83,812</u>
	<u>1,935,518</u>	<u>1,928,682</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>15,082</u>	<u>15,031</u>
<b>(b) Capitation fees</b>		
Unions Tasmania	33,297	33,592
SDAEA National Account	147,935	146,377
SDAEA International Fund	<u>22,190</u>	<u>21,957</u>
	<u>203,422</u>	<u>201,926</u>
<b>(c) Administration fees</b>		
Consideration to employers for payroll deductions		
Commissions paid to employers	166,803	160,868
Compulsory levies	-	-
Delegate meetings and training	46,387	46,739
Meeting expenses	775	721
Other administration costs	<u>229,960</u>	<u>222,663</u>
	<u>443,925</u>	<u>430,991</u>
<b>(d) Employee expenses</b>		
<b>    Holders of office:</b>		
Wages and salaries	72,833	72,953
Superannuation	7,688	7,576
Leave and other entitlements	9,509	7,927
Separation and redundancies	-	-
Other employee expenses	<u>11,634</u>	<u>23,692</u>
	<u>101,664</u>	<u>112,148</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

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

<b>(d) Employee expenses (cont.)</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Employees other than office holders:</b>		
Wages and salaries	375,817	400,731
Superannuation	39,224	43,557
Leave and other entitlements	43,874	67,924
Separation and redundancies	-	-
Other employee expenses	86,245	74,198
	<u>545,160</u>	<u>586,410</u>
<b>Total employee expenses</b>	<u>646,824</u>	<u>698,558</u>
<b>(e) Grants or donations</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	7,470	7,800
Total paid that exceeded \$1,000	6,504	-
	<u>13,974</u>	<u>7,800</u>
<b>(f) Depreciation and amortisation</b>		
Depreciation of non-current assets	38,465	47,552
	<u>38,465</u>	<u>47,552</u>
<b>(g) Legal costs</b>		
Litigation	-	-
Other legal matters	-	-
	<u>-</u>	<u>-</u>
<b>(h) Other expenses</b>		
Penalties - via RO Act or RO Regulations	-	-
	<u>-</u>	<u>-</u>
<b>6. Trade and other receivables</b>		
Subscriptions in arrears	158,850	80,063
Sundry debtors and prepayments	16,082	16,829
Car park debtors	1,380	1,140
Member and employee loans	49,966	18,965
Receivables from other reporting units	-	-
	<u>226,278</u>	<u>116,997</u>
Less provision for doubtful debts	-	-
<b>Net trade and other receivables</b>	<u>226,278</u>	<u>116,997</u>
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.		
<b>7. Inventories</b>		
Movie tickets	7,525	9,257

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

**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 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
Additions	-	-	7,470	920	8,390
Disposals	-	-	-	-	-
Balance at 30 June 2016	150,000	302,204	382,981	132,149	967,334
<b>Accumulated depreciation</b>					
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)
Depreciation expense	-	(6,092)	(30,617)	(1,756)	(38,465)
Disposals	-	-	-	-	-
Balance at 30 June 2016	-	(92,293)	(306,055)	(128,763)	(527,111)
<b>Net book value</b>					
As at 30 June 2015	150,000	216,003	100,073	4,222	470,298
As at 30 June 2016	150,000	209,911	76,926	3,386	440,223

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

Class of asset	Depreciation rate
Buildings	2% - 2.5%
Plant and equipment	10% - 67%
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:

	2016 \$	2015 \$
Buildings	6,092	6,075
Plant and equipment	30,617	40,503
Low value pool	1,756	974
	<u>38,465</u>	<u>47,552</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
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NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	\$	\$
<b>9. Trade and other payables</b>		
Trade payables	11,295	20,818
Accruals	15,259	7,251
Other payables	12,984	592
Net GST payable	33,580	35,800
Payables to other reporting units	-	-
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
	73,118	64,461

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	15,724	17,795
Long Service Leave	67,777	65,572
Separation and redundancies	-	-
Other	-	-
	83,501	83,367

Employees other than office holders:

Annual Leave	47,913	50,438
Long Service Leave	58,747	50,351
Separation and redundancies	-	-
Other	-	-
	106,660	100,789
	190,161	184,156
Current	186,232	181,707
Non Current	3,929	2,449
	190,161	184,156

**11. Retained Earnings**

Balance at beginning of financial year	2,380,889	2,331,447
Net profit/(loss) attributable to members of the Association	63,989	49,442
Balance at end of financial year	2,444,878	2,380,889

**12. Reserves**

**Asset revaluation reserve**

Balance at beginning of financial year		
Movements	163,216	163,216
Balance at end of financial year	-	-
	163,216	163,216

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

**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
	Aniela Harris
	Leanne Porter
	Isabell Wells
	Katrina Barr
	Katrina Riseley

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

	2016	2015
	\$	\$
Short-term employee benefits	82,343	80,880
Post-employment benefits	7,688	7,576
Other long term employee benefits	-	-
Termination benefits	-	-
Share based benefits	-	-
	<u>90,031</u>	<u>88,456</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



**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
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NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

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

**(c) Loans to related parties**

Loans to related parties include the following:

	2016	2015
	\$	\$
Matthew and Katrina Barr	19,150	-
James Fitzpatrick	500	-

The above loans relate to financial assistance provided to Matthew and Katrina Barr, and James Fitzpatrick. The loans have been provided interest free and have an undefined term.

**(d) 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 \$147,935 (2015:\$146,377)

(b) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual capitation fees to SDAEA International Fund of \$22,190 (2015:\$21,957)

(c) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual affiliation fees to ALP Tasmania of \$15,082 (2015:\$15,031)

(d) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual capitation fees to Unions Tasmania \$33,297 (2015:\$33,592)

	2016	2015
	\$	\$
<b>15. Remuneration of auditors</b>		
<b>Auditor of the Association:</b>		
Audit of the financial report	9,575	9,415
Taxation services	14,200	11,615
	23,775	21,030

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**

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:

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

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

	<b>2016</b>	<b>2015</b>
	\$	\$
Petty cash - Launceston	100	100
Petty cash - Hobart	100	100
Undeposited Funds	467	-
Cash at bank - trading account	319,912	559,005
CBA Term Deposit	1,824,701	1,585,592
CBA Online saver	52,067	51,372
	<b>2,197,347</b>	<b>2,196,169</b>
	<b>2016</b>	<b>2015</b>
	\$	\$
<b>(b) Reconciliation of profit for the year to net cash flows from operating activities:</b>		
Profit/(loss) from the year	63,989	49,442
Depreciation and amortisation	38,465	47,552
Interest income received and receivable	(39,955)	(56,718)
<b>(Increase)/decrease in assets:</b>		
Trade and other receivables	(109,280)	(8,518)
Inventories	1,732	221
<b>Increase/(decrease) in liabilities:</b>		
Trade and other payables	8,657	(20,317)
Provisions	6,005	1,346
	<b>(30,387)</b>	<b>13,008</b>
<b>Net cash generated by operating activities</b>	<b>(30,387)</b>	<b>13,008</b>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

**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**

The following tables detail the Association'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 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>2016</b>						
Non-interest bearing	-	73,118	-	-	-	73,118
		<u>73,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,118</u>
<b>2015</b>						
Non-interest bearing	-	64,461	-	-	-	64,461
		<u>64,461</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,461</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>2016</b>						
Non-interest bearing	-	546,390	-	-	-	546,390
Fixed interest rate instruments	2.23%	-	-	1,824,701	-	1,824,701
Variable interest rate instruments	1.29%	52,067	-	-	-	52,067
		<u>598,457</u>	<u>-</u>	<u>1,824,701</u>	<u>-</u>	<u>2,423,158</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION  
TASMANIAN BRANCH  
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016**

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

**2015**

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>1,585,592</u>	-	<u>2,313,166</u>

**(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 2016, the Association holds \$1,824,701 in a fixed rate term deposit. Interest rate exposure is minimal.

As at 30 June 2016, the Association holds \$52,067 in a variable rate account at 1.05% 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 2016

	2016 \$	2015 \$
Revenue	1,935,518	1,928,682
Commissions paid to employers	166,803	160,868
Affiliation fees	218,504	216,957
Marketing expenses	142,680	118,794
<i>Campaigns</i>	38,130	14,633
<i>Promotional and presentations</i>	36,451	42,824
<i>Accident insurance - members</i>	23,629	25,739
<i>Movie Tickets</i>	54,270	54,970
<i>Presidential Card</i>	58,395	58,395
<i>Scholarship Vouchers</i>	63,746	72,403
Direct member benefits expenses	274,621	268,964
<i>Contractors</i>	-	448
<i>Insurance - Building &amp; Content</i>	6,152	5,914
<i>Light &amp; Power</i>	6,557	3,147
<i>Rates &amp; Land Tax</i>	16,509	15,524
<i>Repairs &amp; Maintenance - Building</i>	1,804	2,732
<i>Repairs &amp; Maintenance - Office</i>	6,760	7,961
Occupancy expenses	37,782	35,726
<i>Audit fees</i>	6,916	12,620
<i>Bad Debts</i>	4,912	221
<i>Bank Fees</i>	197	8
<i>Computer Expenses</i>	14,228	31,434
<i>Consulting</i>	10,000	10,000
<i>Delegate Expenses</i>	5,354	5,306
<i>Delegates Meetings &amp; Training</i>	46,387	46,739
<i>Fines</i>	180	194
<i>Meeting Expenses</i>	775	721
<i>Members Financial Assistance</i>	49,684	33,412
<i>Merchant Fees</i>	2,153	1,941
<i>National Council Exec Expenses</i>	19,845	10,917
<i>Office Expenses</i>	3,121	2,883
<i>Postage &amp; Freight</i>	33,148	28,880
<i>Printing &amp; Stationery</i>	37,272	33,401
<i>Professional Fees</i>	14,200	11,615
<i>State Council Expenses</i>	1,330	4,256
<i>Subscriptions</i>	3,281	10,167
<i>Sundry Expenses</i>	823	532
<i>Telephone</i>	23,316	24,876
Administration expenses	277,122	270,123
<i>Fares &amp; Organisers expenses</i>	1,919	879
<i>Fares &amp; Organising Interstate</i>	34,625	37,111
<i>FBT</i>	25,643	25,516
<i>Functions</i>	25,111	26,150
<i>Movement in provision for Annual Leave</i>	(4,597)	(3,756)
<i>Movement in provision for Long Service Leave</i>	10,599	5,101
<i>Staff Amenities</i>	-	-
<i>Workers Comp Insurance Staff</i>	4,459	6,889
Indirect employee Costs	97,759	97,890
<i>Employees - Salaries</i>	372,697	400,731
<i>Employees - Superannuation</i>	39,224	43,557
<i>Employees - Annual Sick Leave</i>	43,874	54,059
<i>Employees - Long Service Leave</i>	-	10,745
<i>Employees - Allowance</i>	3,120	3,120
<i>Employees - Workers Comp Invoices - Staff</i>	121	-
<i>Employees - Parental Maternity</i>	-	-
Direct Employee Expenses - Employees	459,036	512,212

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

FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
<i>Officials - Salaries</i>	72,833	72,953
<i>Officials - Superannuation</i>	7,688	7,576
<i>Officials - Annual Sick Leave</i>	9,509	7,927
<i>Officials - Long Service Leave</i>	-	-
<i>Officials - Allowance</i>	-	-
<i>Officials - Parental/Maternity</i>	-	-
Direct Employee Expenses - Officials	90,030	88,456
Motor vehicle expenses	54,754	53,898
Depreciation	38,465	47,552
Loss on sale of fixed assets	-	-
Donations	13,974	7,800
<b>Profit/(Loss) before tax</b>	63,989	49,442
Income tax expense	-	-
<b>Profit/(Loss) for the year</b>	63,989	49,442



15 July 2016

Mr Paul Griffin  
General Secretary-Treasurer  
Shop, Distributive and Allied Employees Association-Tasmanian Branch  
By email: [paul@sdatas.asn.au](mailto:paul@sdatas.asn.au)

Dear Mr Griffin,

**Re: Lodgement of Financial Report - [FR2016/143]  
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

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

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

### **Timelines**

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

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

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

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

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

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

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

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

## Civil penalties may apply

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

## Contact

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

Yours sincerely,



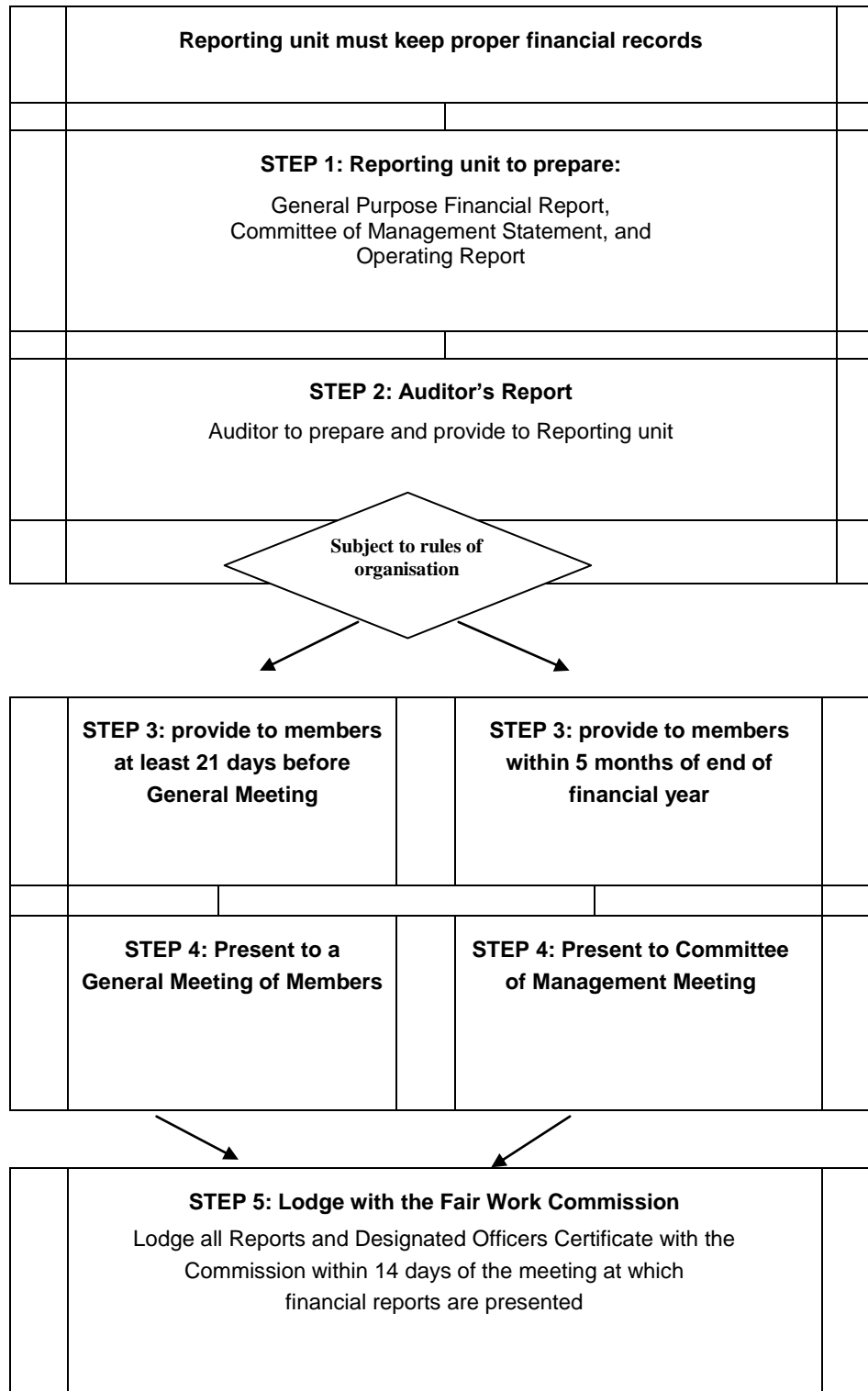
Anastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch



# Financial reporting timelines

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

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



# Fact Sheet - Loans, Grants & Donations

## The Loans, Grants & Donations Requirements

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

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

## The Loans, Grants & Donations Statement

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







- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

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

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

## Common misconceptions

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

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

## Grants & Donations within the Financial Report

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

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

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

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

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

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

### Implications for filing the Financial Report

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

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

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

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

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

### Further information

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