



29 January 2019

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

By email: secretary@sdatas.asn.au

CC: sdare@deloitte.com.au

Dear Mr Griffin,

**Shop, Distributive and Allied Employees Association, Tasmanian Branch
Financial Report for the year ended 30 June 2018 - [FR2018/89]**

I acknowledge receipt of the financial report for the year ended 30 June 2018 for the Shop, Distributive and Allied Employees Association, Tasmanian Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 22 November 2018. I also acknowledge the lodgement of a subsection 255(2A) report on 16 January 2019.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2019 may be subject to an advanced compliance review.

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

Subsection 255(2A) report to be included

A general purpose financial report prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22. The financial report lodged on 22 November 2018 did not include a subsection 255(2A) expenditure report.

Please also note that the subsection 255(2A) report must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

Please ensure in future years that the subsection 255(2A) report is prepared, audited, provided to members and lodged with the ROC.

Content of designated officer's certificate

Section 268 of the RO Act requires a certificate by the designated officer to certify that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266.

It was noted that two designated officer's certificates were included in the documents lodged with the ROC on 22 November 2018, and they contained different dates in respect of when the full report was presented to a meeting of the State Council.

Please ensure that in future years only one designated officer's certificate is included and that the information contained in the designated officer's certificate accurately reflects the dates that each event, as per section 268 of the RO Act, occurred.

Registered auditor's details

Item 29(b) of the RGs state that the auditor's statement must specify the registered auditor's name and registration number. The auditor's statement provided states the name of the registered auditor but not the registration number.

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

Recovery of wages statement

With the release of the fifth edition reporting guidelines for the purposes of section 253 of the RO Act on 4 May 2018, the requirement to prepare and audit a separate report relating to recovery of wages activities was removed and is now included as a disclosure requirement under item 13(e). I note that a separate recovery of wages activity report was included in the lodged documents along with a resolution relating to this activity within the committee of management statement.

In future years, a separate report and a committee of management resolution relating to recovery of wages does not need to be included within the financial report.

Nil activities disclosure

Item 21 of the reporting guidelines states that if any of the activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The financial statements and notes contained nil activity information for all prescribed reporting guideline categories except the following:

- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission (reporting guideline 12);
- have another entity administer the financial affairs of the reporting unit (reporting guideline 19);
- make a payment to a former related party of the reporting unit (reporting guideline 20).

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the reporting guidelines.

I also note that the following nil activity disclosures in the body of the notes were duplicated elsewhere in the body of the notes or in the statement of comprehensive income:

- receive capitation fees from another reporting unit (reporting guideline 13(b)) is disclosed in both Note 4(b) and the statement of comprehensive income;
- receive revenue via compulsory levies (reporting guideline 13(c)) is disclosed in both Note 4(c) and the statement of comprehensive income;

- receive donations or grants (reporting guideline 13(d)) is disclosed in both Note 4(d) and the statement of comprehensive income;
- pay legal costs relating to litigation and other legal matters (reporting guidelines 14(j)(i) and 14(j)(ii)) are disclosed in both Note 5(g) and the statement of comprehensive income;


Please note that nil activities only need to be disclosed once.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (02) 8293 4654 or via email at david.vale@roc.gov.au.

Yours faithfully

A handwritten signature in blue ink that reads "David Vale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

David Vale
Registered Organisations Commission

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH
EXPENDITURE AS REQUIRED UNDER s. 255(2A) RO ACT
FOR THE YEAR ENDED 30 JUNE 2018**

Categories of Expenditure	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses - employees	593,945	626,902
Advertising	58,822	18,223
Operating costs	1,111,444	1,215,349
Donations to political parties	Nil	Nil
Legal Costs	Nil	Nil

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 30th June 2018 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 8th October, 2018; and
- that the full report was presented to a *meeting of State Council* of the reporting unit on 19/11/18 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:

20. 11. 2018.

Shop, Distributive and Allied Employees Association

Tasmanian Branch

**Annual Financial Report
Year Ended 30 June 2018**

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

We have audited the financial report of Shop, Distributive and Allied Employees Association, Tasmanian Branch (the "Association"), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, the recovery of wages activity, notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the declaration by State Council.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Association's financial position as at 30 June 2018 and of its financial performance and its cash flows 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*.

Basis for Opinion

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

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

Other Information

State Council are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

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



Responsibilities of State Council for the Financial Report

State Council are responsible for the preparation of the financial report in accordance with Australian Accounting Standards, 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 State Council determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, State Council are responsible for assessing the ability of the Association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless State Council either intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Members of the State Council are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

Deloitte

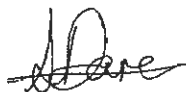
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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, 20 September 2018

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

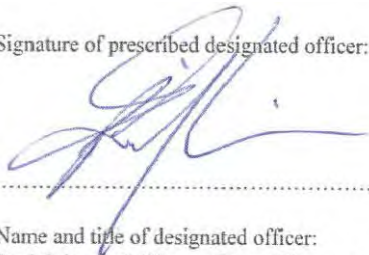
s.268 *Fair Work (Registered Organisations) Act 2009* (RO Act)

Certificate for the period ended 30 June 2018

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

- that the documents lodged herewith are copies of the full report for Shop, Distributive and Allied Employees Association Tasmanian Branch for the period ended 30 June 2018 referred to in s.268 of the RO Act; and
- that the full report was provided to the State Council on 18 September 2018; and
- that the full report was presented to a general meeting of the State Council of the reporting unit on 18 September 2018 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

18. 09. 18.

**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 2018.

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 had 4,924 members as at 30 June 2018 (2017: 5,169) which included both honorary and life members, with the highest number of members throughout the 2018 financial year reaching 5,253.

Number of employees

The Association employed fourteen staff which includes two part-time and six casual staff.

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

All members held these positions for the entire reporting period unless indicated otherwise.

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

18.09.18.

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

For the year ended 30 June 2018

On the 18 September 2018 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 2018:

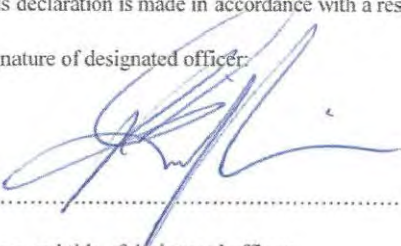
The State Council declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the 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 the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (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

15. 09. 18.

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Continuing Operations			
Revenue			
Membership dues	4(a)	1,745,234	1,828,535
Capitation fees	4(b)	-	-
Levies	4(c)	-	-
Grants or donations	4(d)	-	-
Interest	4(e)	59,318	40,432
Other revenue	4(f)	50,995	76,900
		1,855,547	1,945,867
Expenditure			
Direct member benefits expenses		249,415	212,378
Affiliation fees	5(a)	13,605	14,271
Capitation fees	5(b)	204,856	205,747
Marketing expenses		157,066	102,453
Occupancy expenses		75,706	39,588
Administration expenses	5(c)	342,103	524,561
Employee benefits expenses	5(d)	593,945	626,902
Grants or donations	5(e)	5,395	8,170
Motor vehicle expenses		51,918	49,643
Depreciation	5(f)	29,363	35,524
Legal costs	5(g)	-	-
Other expenses	5(h)	-	-
		132,175	126,630
Profit/(Loss) before tax		132,175	126,630
Income tax expense		-	-
		132,175	126,630
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Gain on revaluation of land and buildings		1,132,446	-
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income, net of income tax		1,132,446	-
		1,264,621	126,630
Total comprehensive income/(loss) for the year		1,264,621	126,630

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 2018**

	Note	2018 \$	2017 \$
Current assets			
Cash and bank balances	17(a)	2,451,221	2,312,487
Trade and other receivables	6	288,785	277,992
Inventories	7	8,565	9,171
Total current assets		<u>2,748,571</u>	<u>2,599,650</u>
Non-current assets			
Property, plant and equipment	8	1,539,313	425,946
Total non-current assets		<u>1,539,313</u>	<u>425,946</u>
Total assets		<u>4,287,884</u>	<u>3,025,596</u>
Current liabilities			
Trade and other payables	9	117,389	98,187
Provisions	10	163,051	185,845
Total current liabilities		<u>280,440</u>	<u>284,032</u>
Non-current liabilities			
Provisions	10	8,099	6,840
Total non-current liabilities		<u>8,099</u>	<u>6,840</u>
Total liabilities		<u>288,539</u>	<u>290,872</u>
Net assets		<u>3,999,345</u>	<u>2,734,724</u>
Equity			
Retained earnings	11	2,703,683	2,571,508
Reserves	12	1,295,662	163,216
Total equity		<u>3,999,345</u>	<u>2,734,724</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 2018**

	Reserves	Retained earnings	Total
	\$	\$	\$
Balance at 1 July 2016	163,216	2,444,878	2,608,094
Profit / (Loss) for the year	-	126,630	126,630
Other comprehensive income for the year	-	-	-
Balance at 30 June 2017	<u>163,216</u>	<u>2,571,508</u>	<u>2,734,724</u>
Balance at 1 July 2017	163,216	2,571,508	2,734,724
Profit / (Loss) for the year	-	132,175	132,175
Other comprehensive income for the year	1,132,446	-	1,132,446
Balance at 30 June 2018	<u>1,295,662</u>	<u>2,703,683</u>	<u>3,999,345</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 2018**

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from members and other third parties		3,124,136	2,215,522
Payment to suppliers and employees		<u>(3,034,436)</u>	<u>(2,098,235)</u>
Net cash provided by/(used in) operating activities	17(b)	<u>89,700</u>	<u>117,287</u>
Cash flows from investing activities			
Interest received		59,318	19,100
Payments for property, plant and equipment		(10,284)	(21,247)
Proceeds from sale of property, plant and equipment		<u>-</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>49,034</u>	<u>(2,147)</u>
Net increase in cash and cash equivalents		138,734	115,140
Cash and cash equivalents at the beginning of the financial year		<u>2,312,487</u>	<u>2,197,347</u>
Cash and cash equivalents at the end of the financial year	17(a)	<u>2,451,221</u>	<u>2,312,487</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 2018**

	2018	2017
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
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	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

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 2018

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 16 'Leases'	Effective to annual reporting periods beginning on or after 1 January, 2019
AASB 1058 Income of Not-for-Profit Entities, AASB 1058 Income of Not-for-Profit Entities (Appendix D), AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	Effective to annual reporting periods beginning on or after 1 January, 2019

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

The Association has assessed the future impact of the Australian Accounting Standards and Interpretations in issue but are not effective for the current year end, and they are not expected to have a material impact on financial statements. 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 18 September 2018.

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.

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3. Significant accounting policies (cont'd)

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 Association is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- (i) where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- (ii) for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

(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

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

(i) Revenue recognition

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

Sale of goods

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

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 State Council has engaged a third party property valuer, to determine the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of these assets, the property valuer uses market-observable data to the extent available, to establish an appropriate fair value of the assets.

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.

(l) Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

3. Significant accounting policies (cont'd)

(m) Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

(n) Going concern

The Association is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Association has not agreed to provide financial supporting to ensure another reporting unit has the ability to continue as a going concern.

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	2018 \$	2017 \$
4. Revenue		
An analysis of the Association's revenue for the year, from continuing operations, is as follows:		
(a) Revenue from member subscriptions	<u>1,745,234</u>	<u>1,828,535</u>
(b) Capitation fees	<u>-</u>	<u>-</u>
(c) Levies	<u>-</u>	<u>-</u>
(d) Grants or donations	<u>-</u>	<u>-</u>
(e) Interest	<u>59,318</u>	<u>40,432</u>
(f) Other revenue		
Movie ticket sales	33,878	47,111
Car park rent	8,837	9,710
Other	8,280	20,079
	<u>50,995</u>	<u>76,900</u>
	<u>1,855,547</u>	<u>1,945,867</u>
5. Profit for the year		
Profit for the year has been arrived at after recognising the following gains and losses:		
(a) Affiliation fees		
Australian Labour Party - Tasmania	<u>13,605</u>	<u>14,271</u>
(b) Capitation fees		
Unions Tasmania	30,962	31,996
SDAEA National Account	151,212	151,088
SDAEA International Fund	22,682	22,663
	<u>204,856</u>	<u>205,747</u>
(c) Administration fees		
Consideration to employers for payroll deductions		
Commissions paid to employers	28,770	165,205
Compulsory levies	-	-
Delegate meetings and training	44,356	51,183
Fees/allowances - meetings and conferences	-	-
Meeting expenses	817	29
Other administration costs	268,160	308,144
	<u>342,103</u>	<u>524,561</u>
(d) Employee expenses		
Holders of office:		
Wages and salaries	71,588	71,276
Superannuation	7,843	7,688
Leave and other entitlements	10,971	10,738
Separation and redundancies	-	-
Other employee expenses	6,681	10,150
	<u>97,083</u>	<u>99,852</u>

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	2018	2017
	\$	\$
5. Profit for the year (cont.)		
(d) Employee expenses (cont.)		
Employees other than office holders:		
Wages and salaries	347,773	373,496
Superannuation	37,827	39,094
Leave and other entitlements	69,276	45,322
Separation and redundancies	-	-
Other employee expenses	41,986	69,138
	<u>496,862</u>	<u>527,050</u>
Total employee expenses	<u>593,945</u>	<u>626,902</u>
(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	5,395	8,170
Total paid that exceeded \$1,000	-	-
	<u>5,395</u>	<u>8,170</u>
(f) Depreciation and amortisation		
Depreciation of non-current assets	29,363	35,524
	<u>29,363</u>	<u>35,524</u>
(g) Legal costs		
Litigation	-	-
Other legal matters	-	-
	<u>-</u>	<u>-</u>
(h) Other expenses		
Penalties - via RO Act or RO Regulations	-	-
	<u>-</u>	<u>-</u>
6. Trade and other receivables		
Subscriptions in arrears	145,120	155,648
Sundry debtors and prepayments	53,566	40,673
Car park debtors	960	900
Member and employee loans	67,807	59,439
Accrued interest income	21,332	21,332
Receivables from other reporting units	-	-
	<u>288,785</u>	<u>277,992</u>
Less provision for doubtful debts	-	-
Net trade and other receivables	<u>288,785</u>	<u>277,992</u>
<p>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.</p> <p>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.</p>		
7. Inventories		
Movie tickets	8,565	9,171
	<u>8,565</u>	<u>9,171</u>

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8. Property, plant and equipment

	Freehold land at fair value \$	Buildings at fair value \$	Plant and equipment at cost \$	Low value pool \$	Total \$
Gross carrying amount					
Balance at 30 June 2016 ^	150,000	302,204	382,981	132,149	967,334
Additions	-	-	21,247	-	21,247
Disposals	-	-	-	-	-
Balance at 30 June 2017 ^	150,000	302,204	404,228	132,149	988,581
Additions	-	-	10,286	-	10,286
Disposals	-	-	-	-	-
Revaluation	500,000	534,994	-	-	1,034,994
Balance at 30 June 2018	650,000	837,198	414,514	132,149	2,033,861
Accumulated depreciation					
Balance at 30 June 2016 ^	-	(92,293)	(306,055)	(128,763)	(527,111)
Depreciation expense	-	(6,072)	(28,182)	(1,270)	(35,524)
Disposals	-	-	-	-	-
Balance at 30 June 2017 ^	-	(98,365)	(334,237)	(130,033)	(562,635)
Depreciation expense	-	(5,954)	(22,615)	(794)	(29,363)
Disposals	-	-	-	-	-
Revaluation	-	97,450	-	-	97,450
Balance at 30 June 2018	-	(6,869)	(356,852)	(130,827)	(494,548)
Net book value					
As at 30 June 2017	150,000	203,839	69,991	2,116	425,946
As at 30 June 2018	650,000	830,329	57,662	1,322	1,539,313

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:

	2018 \$	2017 \$
Buildings	5,954	6,072
Plant and equipment	22,615	28,182
Low value pool	794	1,270
	<u>29,363</u>	<u>35,524</u>

^ Refer to note 12

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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	2018 \$	2017 \$
9. Trade and other payables		
Trade payables	73,308	33,269
Accruals	684	14,343
Other payables	11,995	12,965
Net GST payable	31,402	37,610
Payables to other reporting units	-	-
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
	117,389	98,187

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	12,287	15,724
Long Service Leave	68,464	66,230
Separation and redundancies	-	-
Other	-	-
	80,751	81,954

Employees other than office holders:

Annual Leave	39,716	49,883
Long Service Leave	50,683	60,848
Separation and redundancies	-	-
Other	-	-
	90,399	110,731
	171,150	192,685

Current	163,051	185,845
Non Current	8,099	6,840
	171,150	192,685

11. Retained Earnings

Balance at beginning of financial year	2,571,508	2,444,878
Net profit/(loss) attributable to members of the Association	132,175	126,630
Balance at end of financial year	2,703,683	2,571,508

12. Reserves

Asset revaluation reserve

Balance at beginning of financial year	163,216	163,216
Movements	1,132,446	-
Balance at end of financial year	1,295,662	163,216

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12. Reserves (cont.)

The asset revaluation reserve relates to land and buildings. In comparative information, the land and buildings were carried at deemed cost, however have previously been carried at valuation. In the 2018 financial year the Association decided that it was appropriate to carry land and buildings at fair value. The balance of the asset revaluation reserve is available to absorb future write-downs or decrements in the carrying value of land and buildings.

The fair value of the freehold land and buildings was determined by independent valuation. The valuation of 75 Patrick Street, Hobart was carried out on 5 June 2018 and of 72 York Street, Launceston on 14 June 2018 by Opteon, independent valuers unrelated to the entity. Opteon have appropriate qualifications and recent experience in the valuations of properties in the Hobart and Launceston areas. The fair value was determined based on the market comparable approach that reflects recent transactions for similar properties and the capitalisation of net income method, where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as the other lettings of similar properties in the neighborhood. The capitalisation rate adopted is made by reference to the yield rates, observed by the valuers for similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

13. Equity

	2018	2017
	\$	\$
<u>Other specific disclosures - Funds</u>		
Compulsory levy/voluntary contribution fund - if invested in assets	-	-
Other funds required by rules	-	-
	-	-

14. Commitments for expenditure

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

15. 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

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15. Key management personnel remuneration (cont.)

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

	2018 \$	2017 \$
Short-term employee benefits	82,559	82,014
Post-employment benefits	7,843	7,688
Other long term employee benefits	-	-
Termination benefits	-	-
Share based benefits	-	-
	<u>90,402</u>	<u>89,702</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

(c) Loans to related parties

Loans to related parties include the following:

	2018 \$	2017 \$
Matthew and Katrina Barr	17,360	18,400
James Fitzpatrick	-	150

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 \$151,212 (2017: \$151,088)
- (b) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual capitation fees to SDAEA International Fund of \$22,682 (2017: \$22,663)
- (c) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual affiliation fees to ALP Tasmania of \$13,605 (2017: \$14,271)
- (d) Shop, Distributive and Allied Employees Association, Tasmanian Branch paid annual capitation fees to Unions Tasmania \$30,962 (2017: \$31,996)

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16. Remuneration of auditors	2018	2017
	\$	\$
Auditor of the Association:		
Audit of the financial report	10,280	10,055
Taxation services	16,100	15,530
	<u>26,380</u>	<u>25,585</u>

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

17. 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:

	2018	2017
	\$	\$
Petty cash - Launceston	100	100
Petty cash - Hobart	100	100
Undeposited Funds	-	-
Cash at bank - trading account	495,995	416,504
CBA Term Deposit	1,902,327	1,843,340
CBA Online saver	52,699	52,443
	<u>2,451,221</u>	<u>2,312,487</u>

(b) Reconciliation of profit for the year to net cash flows from operating activities:

Profit/(loss) from the year	1,264,621	126,630
Depreciation and amortisation	29,363	35,524
Gain on revaluation	(1,132,446)	-
Interest income received and receivable	(59,318)	(40,432)
(Increase)/decrease in assets:		
Trade and other receivables	(10,793)	(30,382)
Inventories	606	(1,646)
Increase/(decrease) in liabilities:		
Trade and other payables	19,202	25,069
Provisions	(21,535)	2,524
Net cash generated by operating activities	<u>89,700</u>	<u>117,287</u>

(c) Cash flow information:

Cash inflows from another reporting unit or controlled entity	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Cash outflows to another reporting unit or controlled entity	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
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18. 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 \$
2018						
Non-interest bearing	-	117,389	-	-	-	117,389
		<u>117,389</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,389</u>
2017						
Non-interest bearing	-	98,187	-	-	-	98,187
		<u>98,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,187</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 \$
2018						
Non-interest bearing	-	784,980	-	-	-	784,980
Fixed interest rate instruments	3.20%	-	-	1,902,327	-	1,902,327
Variable interest rate instruments	0.54%	52,699	-	-	-	52,699
		<u>837,679</u>	<u>-</u>	<u>1,902,327</u>	<u>-</u>	<u>2,740,006</u>

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18. Financial Instruments (cont'd)

2017

Non-interest bearing	-	694,696	-	-	-	694,696
Fixed interest rate instruments	2.27%	-	-	1,843,340	-	1,843,340
Variable interest rate instruments	0.69%	52,443	-	-	-	52,443
		747,139	-	1,843,340	-	2,590,479

(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 financials 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 2018, the Association holds \$1,902,327 in a fixed rate term deposit. Interest rate exposure is minimal.

As at 30 June 2018, the Association holds \$52,699 in a variable rate account at 0.50% interest rate. Interest income on this account was less than \$2,000 for the financial year, therefore, interest rate exposure is considered minimal.

19. 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.

20. Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or Commissioner:

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

21. 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
(UNAUDITED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Revenue	1,855,547	1,945,867
Commissions paid to employers	28,770	165,205
Affiliation fees	218,461	220,018
Marketing expenses	157,066	102,453
<i>Campaigns</i>	32,971	7,056
<i>Promotional and presentations</i>	38,538	22,831
<i>Accident insurance - members</i>	23,561	23,020
<i>Movie Tickets</i>	39,883	53,353
<i>Presidential Card</i>	54,798	50,838
<i>Scholarship Vouchers</i>	59,664	55,280
Direct member benefits expenses	249,415	212,378
<i>Contractors</i>	733	-
<i>Insurance - Building & Content</i>	6,483	6,251
<i>Light & Power</i>	5,648	5,697
<i>Rates & Land Tax</i>	17,333	17,102
<i>Repairs & Maintenance - Building</i>	39,429	5,105
<i>Repairs & Maintenance - Office</i>	6,080	5,433
Occupancy expenses	75,706	39,588
<i>Audit fees</i>	10,280	10,055
<i>Bad Debts</i>	-	-
<i>Bank Fees</i>	1,999	793
<i>Computer Expenses</i>	16,204	26,803
<i>Consulting</i>	10,000	10,000
<i>Delegate Expenses</i>	18,389	7,135
<i>Delegates Meetings & Training</i>	44,356	51,183
<i>Fees/allowances - meetings and conferences</i>	-	-
<i>Fines</i>	145	268
<i>Meeting Expenses</i>	817	29
<i>Members Financial Assistance</i>	66,310	86,114
<i>Merchant Fees</i>	763	1,704
<i>National Council/Exec Expenses</i>	15,233	57,133
<i>Office Expenses</i>	6,371	3,307
<i>Postage & Freight</i>	35,193	36,035
<i>Printing & Stationery</i>	34,097	27,588
<i>Professional Fees</i>	16,100	15,530
<i>State Council Expenses</i>	3,045	2,036
<i>Subscriptions</i>	3,365	4,158
<i>Sundry Expenses</i>	12,142	2,536
<i>Telephone</i>	15,889	16,949
<i>Valuation Fees</i>	2,635	-
Administration expenses	313,333	359,356
<i>Fares & Organisers expenses</i>	2,013	2,288
<i>Fares & Organising Interstate</i>	29,073	28,105
<i>FBT</i>	19,001	28,004
<i>Functions</i>	13,928	14,509
<i>Movement in provision for Annual Leave</i>	(13,604)	1,971
<i>Movement in provision for Long Service Leave</i>	(7,931)	556
<i>Staff Amenities</i>	-	-
<i>Staff Training</i>	2,203	-
<i>Workers Comp Insurance Staff</i>	3,984	3,855
Indirect employee Costs	48,667	79,288
<i>Employees - Salaries</i>	344,473	370,136
<i>Employees - Superannuation</i>	37,827	39,094
<i>Employees - Annual/Sick Leave</i>	47,311	38,320
<i>Employees - Long Service Leave</i>	21,965	7,002
<i>Employees - Allowance</i>	3,300	3,360

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES ASSOCIATION
TASMANIAN BRANCH
DETAILED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018		2017
	\$		\$
<i>Employees - Workers Comp Invoices - Staff</i>	-		-
<i>Employees - Parental/Maternity</i>	-		-
Direct Employee Expenses - Employes	454,876		457,912
<i>Officials - Salaries</i>	71,588		71,276
<i>Officials - Superannuation</i>	7,843		7,688
<i>Officials - Annual/Sick Leave</i>	10,971		7,314
<i>Officials - Long Service Leave</i>	-		3,424
<i>Officials - Allowance</i>	-		-
<i>Officials - Parental/Maternity</i>	-		-
Direct Employee Expenses - Officials	90,402		89,702
Motor vehicle expenses	51,918		49,643
Depreciation	29,363		35,524
Loss on sale of fixed assets	-		-
Donations	5,395		8,170
Profit/(Loss) before tax	132,175		126,630
Income tax expense	-		-
Profit/(Loss) for the year	132,175		126,630