



FAIR WORK
AUSTRALIA

30 November 2009

Joe Bullock
Branch Secretary
Shop, Distributive and Allied Employees Association - Western Australian Branch
GPO Box 2556
66 St Georges Terrace
PERTH WA 6001

By email: sda@sdawa.asn.au

Dear Mr Bullock,

Financial report for the year ended 30 June 2009 - FR2009/10060

I acknowledge receipt of the financial report of the Shop, Distributive and Allied Employees Association Western Australian Branch for the year ended 30 June 2009. The documents were received by Fair Work Australia on 23 November 2009.

The financial report has been filed.

The following comments are offered to assist when preparing future financial reports. You are not required to take any further action in relation to the 30 June 2009 report.

Committee of management statement

Item 25(e)(iv) of the Reporting Guidelines, which were issued by the Industrial Registrar, requires a declaration by the Committee of Management that:

"where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation."

There is nothing in the *Fair Work (Transitional Provisions and Consequential Amendments) Act 2009* to suggest that Item 25(e)(iv) of the Reporting Guidelines previously issued by the Industrial Registrar does not continue to apply, notwithstanding the advent of the *Fair Work (Registered Organisations) Act 2009*. Nor is there anything to indicate that the Shop, Distributive and Allied Employees Association does not currently consist of 2 or more reporting units.

If the records have been kept in a consistent manner to each of the organisation's reporting units, the following statement should be made in future committee of management statements:

"the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation."

Operating report

Subsection 254(2)(c) requires the operating report to give details of the right of members to resign from the reporting unit under section 174 of the *Fair Work (Registered Organisations) Act 2009*. Paragraph 3 of the operating report summarises the terms of section 174.

As was noted last year the terms of s254(2)(c) would be better met by, for example, including a reference to the rule by which a member may resign from the union. For instance, the branch

may wish to include a sentence such as the following at the end of the existing text of paragraph 3 of the Operating Report:

“A person who wishes to resign from membership of the Shop, Distributive and Allied Employees Association should refer to the terms of Rule 25 of the Shop, Distributive and Allied Employees Association Western Australian Branch rules.”

Given the terms of Note 5 of the Notes to the financial statements, the substance of the point above has equal application in relation to the text of that note.

Legislative references

You are reminded that in future financial years reference will need to be made to the relevant provisions of the *Fair Work (Registered Organisations) Act 2009*.

Please contact me by email to mark.elliott@airc.gov.au or by telephone on (03) 8661 7811 should you wish to discuss this correspondence or the financial reporting obligations imposed by the *Fair Work (Registered Organisations) Act 2009*.

Kind regards,



Mark Elliott

Tribunal Services and Organisations
Fair Work Australia

FR2009/10060



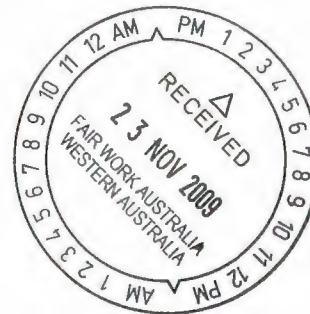
**THE SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES'
ASSOCIATION, WESTERN AUSTRALIA BRANCH**

Registered Office: 5th Floor, 25 Barrack Street, Perth WA 6000
Postal Address: GPO Box 2556, 66 St Georges Terrace, Perth WA 6001
Phone: (08) 9221 4321
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ABN 49 055 257 014

BRANCH SECRETARY
JOE BULLOCK

20 November 2009

The Registrar
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001



Dear Sir

RE: Financial Documents – 30 June 2009
Shop, Distributive and Allied Employees' Association, Western Australian Branch

Please find attached a copy of the Operating Report, General Purpose Financial Report and Auditor's Report in relation to the Shop, Distributive and Allied Employees' Association, Western Australian Branch for the year ended 30 June 2009.

The above mentioned documents contain the appropriate information and certificates as required by legislation and are submitted for filing.

Yours faithfully,

A handwritten signature in blue ink that reads "Joe Bullock".

JOE BULLOCK
BRANCH SECRETARY

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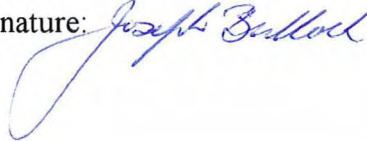
Designated Officer's Certificate
S268 of Schedule 1 Workplace Relations Act 1996

I, Joseph Bullock being the Branch Secretary of the Shop, Distributive and Allied Employees' Association, Western Australian Branch certify:

That the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and

That the full report, was provided to members on 14th September 2009; and

That the full report was presented to a General Meeting of Members of the reporting unit on 10th November 2009.

Signature: 

Date: 23/11/09.

**The Shop, Distributive and Allied Employees' Association
Western Australian Branch
49 055 257 014**

Annual Financial Report

30 June 2009

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

30 June 2009

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The Shop, Distributive and Allied Employees' Association

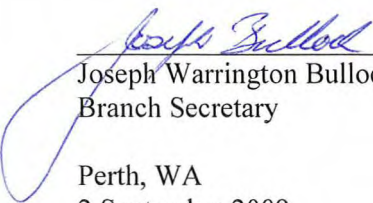
Western Australian Branch

Committee of Management Statement

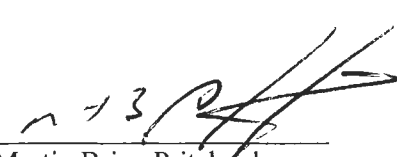
30 June 2009

We, Joseph Warrington Bullock and Martin Brian Pritchard, being two members of the Committee of Management of The Shop, Distributive and Allied Employees' Association, Western Australian Branch, do declare on behalf of the Committee and in accordance with a resolution passed by the Committee on 2 September 2009, that in the opinion of the Committee:

1. The financial statement and notes comply with the Australian Accounting Standards;
2. The financial statement and notes comply with the Workplace Relations Act 1996 and the reporting guidelines of the Industrial Registrar;
3. The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
4. There are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
5. During the year ended 30 June 2009 and since the end of that year;
 - (i) Meetings of the Committee of Management were held in accordance with the rules of The Shop, Distributive and Allied Employees' Association including the rules of the Branch;
 - (ii) The financial affairs of the Branch have been managed in accordance with the rules of The Shop, Distributive and Allied Employees' Association including the rules of the Branch;
 - (iii) The financial records of the Branch have been kept and maintained in accordance with the Workplace Relations (Registration and Accountability of Organisations) Regulations ("RAO Regulations") and the Registration of Accountability of Organisations Schedule ("RAO Schedule");
 - (iv) The information sought in any request of a member of the Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar;
 - (v) There has been no recovery of wages activity undertaken during the period per section 255 of the RAO Schedule; and
 - (vi) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.


Joseph Warrington Bullock
Branch Secretary

Perth, WA
2 September 2009


Martin Brian Pritchard
Assistant Branch Secretary

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Balance sheet

As at 30 June 2009

	Note	2009 \$	2008 \$
Assets			
Cash and cash equivalents	8	15,590	2,883
Trade and other receivables	9	1,898	17,865
Total current assets		17,488	20,748
Total assets		17,488	20,748
Liabilities			
Trade and other payables	10	1,210	3,406
Total current liabilities		1,210	3,406
Total liabilities		1,210	3,406
Net assets		16,278	17,342
Accumulated funds		16,278	17,342
Total accumulated funds		16,278	17,342

The notes of pages 6 to 16 are an integral part of these financial statements.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Income statement

For the year ended 30 June 2009

	2009	2008
	\$	\$
Revenue		
Fees	495,882	500,501
Levies	-	121,831
	<hr/>	<hr/>
Total revenue	495,882	622,332
Affiliation dues	(381,448)	(385,001)
International Fund	(114,434)	(115,500)
Levies	-	(121,831)
Audit fees - KPMG	(1,100)	(1,948)
Bank charges	-	(30)
	<hr/>	<hr/>
Results from operating activities	(1,100)	(1,978)
	<hr/>	<hr/>
Interest income	36	60
	<hr/>	<hr/>
Net finance income	36	60
	<hr/>	<hr/>
Deficit for the year	(1,064)	(1,918)
	<hr/> <hr/>	<hr/> <hr/>

The notes of pages 6 to 16 are an integral part of these financial statements.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Statement of changes in equity

For the year ended 30 June 2009

	2009	Accumulated Funds
		\$
Balance at 1 July 2008		17,342
Deficit for the year		<u>(1,064)</u>
Total recognised income and expense for the year		<u>(1,064)</u>
Balance at 30 June 2009		<u>16,278</u>
	2008	Accumulated Funds
		\$
Balance at 1 July 2007		19,260
Deficit for the year		<u>(1,918)</u>
Total recognised income and expense for the year		<u>(1,918)</u>
Balance at 30 June 2008		<u>17,342</u>

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Statement of cash flows

For the year ended 30 June 2009

	Note	2009 \$	2008 \$
Cash flows from operating activities			
Cash receipts from customers		511,959	604,614
Cash paid to suppliers and employees		(499,288)	(624,319)
Cash generated from operations		12,671	(19,705)
Interest received		36	60
Net cash from/(used in) operating activities	8	<u>12,707</u>	<u>(19,645)</u>
Net increase/(decrease) in cash and cash equivalents		12,707	(19,645)
Cash and cash equivalents at 1 July		2,883	22,528
Cash and cash equivalents at 30 June	8	<u>15,590</u>	<u>2,883</u>

The notes of pages 6 to 16 are an integral part of these financial statements.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

1 Reporting entity

The Shop, Distributive and Allied Employees' Association Western Australian Branch (the "Entity") is a union domiciled in Australia. The address of the Entity's registered office is 5th Floor, 25 Barrack Street, Perth WA 6000. The Entity primarily is involved in the trade union business in Western Australia.

2 Basis of preparation

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Workplace Relations Act 1996 and Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB). The financial report of the Entity complies with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

This financial report has been prepared for distribution to members of the Entity to satisfy the Committee of Management's reporting responsibilities imposed by the Workplace Relations Act 1996.

The financial report was approved by the Members of the Committee of Management on 2 September 2009.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Entity's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. 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 and in any future periods affected.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

3 Significant accounting policies continued

(a) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Cash and cash equivalents comprise cash balances and call deposits.

Accounting for finance income and expense is discussed in note 3(d).

Non-derivative financial instruments, other than those measured at fair value, are measured at amortised cost using the effective interest method, less any impairment losses.

(b) Impairment

(i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Financial assets are tested for impairment on an individual basis.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

3 Significant accounting policies continued

(c) Revenue

(i) Fees

Federal affiliation fees comprise fees receivable from The Shop Distributive and Allied Employees Association of Western Australia (SDAWA) based on 10% of the membership fees earned by the SDAWA in the previous financial year. The international fund levy comprise of a levy receivable from the SDAWA based on 3% of the membership fees earned by the SDAWA in the previous year. The fees are recognised on a straight-line basis over the year to match the costs of the services provided.

(ii) Levies

Revenue from levies comprises funds receivable from The Shop Distributive and Allied Employees Association of Western Australia (SDAWA) to fund the levy payable to the Australian Council of Trade Unions (ACTU). Revenue from levies is recognised when the obligation to pay the ACTU is recognised.

(d) Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

(e) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from operating activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

3 Significant accounting policies continued

(f) **Income tax**

Under Section 50-15 of the Income Tax Assessment Act 1997, the Entity is exempt from income tax.

(g) **New standards and interpretations not yet adopted**


The following standards, amendments to standards and interpretations have been identified as those which may impact the Entity in the period of initial application. They are available for early adoption at 30 June 2009, but have not been applied in preparing this financial report:

- Revised AASB 101 *Presentation of Financial Statements* (2007) introduces the term total comprehensive income, which represents changes in equity during a period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement) or, in an income statement and a separate statement of comprehensive income. Revised AASB 101 becomes mandatory for the Entity's 30 June 2010 financial statements. The Entity has not yet determined the potential effect of the revised standard on its financial statements.
- AASB 2008-5 *Amendments to Australian Accounting Standards arising from the Annual Improvements Process* and AASB 2008-6 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process* affect various AASBs resulting in minor changes for presentation, disclosure, recognition and measurement purposes. The amendments, which become mandatory for the Entity's 30 June 2010 financial statements, are not expected to have any material impact on the financial statements.

4 Information to be provided to members or a registrar

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272, which reads as follows:

- (i) A member of an organisation, or Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (ii) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (iii) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

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The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

5 Right of member to resign

Under Section 174, Schedule 1B of the Workplace Relations Act 1996,

- (i) A member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

6 Segment reporting

The Entity operates predominately in one business and geographical segment being the trade union business in Western Australia.

7 Financial instruments & financial risk management

(a) Overview

The Entity has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Entity's exposure to each of the above risks, its objectives and the policies and processes for measuring and managing risk. Quantitative disclosures are also included in this note.

The Committee of Management have responsibility for the establishment and oversight of the risk management framework and for developing and monitoring risk management policies.

Risk Management policies are established to identify and analyse the risks faced by the Entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Entity's activities. The Entity, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Committee of Management oversees how management monitors compliance with the Entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Entity.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

7 Financial instruments & financial risk management continued

(b) Credit risk

Credit risk is the risk of financial loss to the Entity if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Entity's receivables from The Shop Distributive and Allied Employees Association of Western Australia.

The Entity's receivables are due from The Shop Distributive and Allied Employees Association of Western Australia and its credit exposure is directly related to the credit risk of The Shop Distributive and Allied Employees Association of Western Australia. Historically all receivables due have been paid and therefore there is no indication of any impairment issues.

Exposure to credit risk

The carrying amount of the Entity's financial assets represents the maximum credit exposure. The Entity's maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	2009	2008
	\$	\$
Trade and other receivables	-	16,077
	<hr/>	<hr/>
	-	16,077

The Entity's maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

	Carrying amount	
	2009	2008
	\$	\$
Australia	-	16,077
	<hr/>	<hr/>

The Entity's maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:

	Carrying amount	
	2009	2008
	\$	\$
The Shop Distributive and Allied Employees Association of Western Australia	-	16,077
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The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

7 Financial instruments & financial risk management continued

(b) Credit risk continued

Impairment losses

All of the Entity's receivables in 2008 were past due. The aging of the Entity's trade receivables at the reporting date was:

	Gross 2009	Impairment 2009	Gross 2008	Impairment 2008
	\$	\$	\$	\$
Not past due	-	-	-	-
Past due 0-60 days	-	-	-	-
Past due 60-120 days	-	-	16,077	-
	-	-	16,077	-

(c) Liquidity risk

Liquidity risk is the risk that the Entity will not be able to meet its financial obligations as they fall due. The Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Entity's reputation.

Typically the Entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The Entity does not maintain any lines of credit.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	12mths or less	1-2 yrs	2-5 yrs	More than 5 yrs
30 June 2009	\$	\$	\$	\$	\$	\$
Non-derivative financial liabilities						
Trade and other payables	1,210	1,210	1,210	-	-	-
	1,210	1,210	1,210	-	-	-

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

7 Financial instruments & financial risk management continued

(c) Liquidity risk continued

30 June 2008	Carrying amount \$	Contractual cash flows \$	12mths or less \$	1-2 yrs \$	2-5 yrs \$	More than 5 yrs \$
Non-derivative financial liabilities						
Trade and other payables	3,406	3,406	3,406	-	-	-
	<u>3,406</u>	<u>3,406</u>	<u>3,406</u>	<u>-</u>	<u>-</u>	<u>-</u>

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Profile

At the reporting date the interest rate profile of the Entity's interest-bearing financial instruments was:

	Carrying amount 2009 \$	2008 \$
Variable rate instruments		
Financial assets	<u>15,590</u>	<u>2,883</u>

An increase/(decrease) in interest rates of 100 basis points would have the effect of increasing/(decreasing) reported profit by \$156/(\$156) (2008: \$28/(\$28)).

Fair values

Fair values of financial assets and liabilities approximate their carrying values.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

8 Cash and cash equivalents

	2009	2008
	\$	\$
Cash at bank	15,590	2,883
Cash and cash equivalents in the statement of cash flows	<u>15,590</u>	<u>2,883</u>

The Entity's exposure to interest rate risk and sensitivity analysis for financial assets and liabilities are disclosed in note 7.

Reconciliation of cash flows from operating activities

	2009	2008
	\$	\$
Cash flows from operating activities		
Deficit for the year	(1,064)	(1,918)
Net finance income	(36)	(60)
Operating profit before changes in working capital	(1,100)	(1,978)
Change in trade and other receivables	15,967	(17,718)
Change in trade and other payables	(2,196)	(9)
	12,671	(19,705)
Interest received	36	60
Net cash from operating activities	<u>12,707</u>	<u>(19,645)</u>

9 Trade and other receivables

	2009	2008
	\$	\$
Trade receivables	-	16,077
Other receivables	1,898	1,788
	<u>1,898</u>	<u>17,865</u>

The Entity's exposure to credit risk and impairment losses related to trade and other receivables are disclosed in note 7.

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

10 Trade and other payables

	2009	2008
	\$	\$
Trade payables	-	2,139
Other payables	1,210	1,267
	<u>1,210</u>	<u>3,406</u>

The Entity's exposure to liquidity risk related to trade and other payables is disclosed in note 7.

11 Related party transactions

Affiliation dues, international fund contributions and branch levies are paid to the national office of The Shop, Distributive and Allied Employees Association at rates determined by the national office. During the year, cash outflows to the national office amounted to \$495,882 (2008: \$500,501).

All revenue is received from the SDAWA. Amounts due from SDAWA are set out in note 7. During the year, cash inflows from SDAWA amounted to \$511,959 (2008: \$604,614).

12 Remuneration of Committee of Management (Key management personnel)

The following persons held office through the entire period 1 July 2008 to 30 June 2009 unless otherwise indicated

Branch President	Rita Mahony
Branch Vice President	Phyllis McMahan
Branch Secretary	Joseph Bullock
Branch Assistant Secretary	Martin Pritchard
Branch Treasurer	Catherine Doust
Branch Member	Michelle Carey (1 July 2008 - 18 February 2009)
Branch Member	Margaret Zurakowski (19 February - 30 June 2009)
Branch Member	Mina Crawford (1 July 2008 - 3 December 2008)
Branch Member	Grace Giles (4 December 2008 - 30 June 2009)
Branch Member	Tony Hoh
Branch Member	Patricia Glasson
Branch Member	Wendy Morrow

The Shop, Distributive and Allied Employees' Association

Western Australian Branch

Notes to the financial statements

12 Remuneration of Committee of Management (Key management personnel) continued

Branch Member	Jacqueline Taft
Branch Member	Earle Wendt
National Council Delegate	Thomas Mark Bishop
National Council Delegate	Joseph Bullock
National Council Delegate	Rita Mahony
National Council Delegate	Phyllis McMahan
National Council Delegate	Martin Pritchard

The total remuneration paid or payable, directly or indirectly, from the Branch and any other related party to all the members of the Committee of Management was nil (2008: nil).

13 Subsequent events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Committee of Management of the Entity, to affect significantly the operations of the Entity, the results of those operations, or the state of affairs of the Entity in future financial years.



Independent audit report to the members of The Shop, Distributive and Allied Employees' Association, Western Australia

Report on the financial report

We have audited the accompanying financial report of The Shop, Distributive and Allied Employees' Association, Western Australian Branch, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

Committee of Managements' responsibility for the financial report

The Committee of Management of the entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 2, the directors also state, in accordance with Australian Accounting Standards AASB 101 *Presentation of Financial Statements*, that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards (including the Australian



Accounting Interpretations), a view which is consistent with our understanding of the entity's financial position, and of its performance and cash flows.

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

Independence

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

Auditor's opinion

In our opinion:

- (a) the financial report presents fairly, in accordance with the Workplace Relation Act 1996, and Australian Accounting Standards (including the Australian Accounting Interpretations), the financial position of The Shop, Distributive and Allied Employees' Association , Western Australian Branch as of 30 June 2009 and of its financial performance and its cash flows for the year then ended.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.

KPMG

KPMG

Signature:

Name: Matthew Bevers

Qualifications: Chartered Accountant (94498)

Position: Partner

Perth

Dated: 2 September 2009

Operating Report of THE SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES'
ASSOCIATION, WESTERN AUSTRALIAN BRANCH
(2008/2009 Financial Year)

1. Review of units principal activities including – activities during the financial year, results of those activities and significant changes in the nature of the activities.

a) During 2008/2009 financial year significant changes were made to the Australian industrial relations landscape.

- From 27th March 2006 to 27th March 2008 “Work Choices” operated under the Workplace Relations Act 1996.
- From 28th March 2008 to 30th June 2009 the Workplace Relations Amendment (Transition to Forward with Fairness) Act 2008 (Transition Act), provided the Legal transitional mechanism leading to the introduction of the Fair Work Act from 1st July 2009 with some changes commencing on 1st January 2010.

The transitional legislation inserted a new provision in the Workplace Relations Act allowing the extension and variation of pre reform (pre 27th March 2006) certified agreements up to 30th June 2009.

This has allowed the SDA to improve the industrial interests and remuneration of its members by varying existing pre reform collective agreements with worker friendly clauses, as well as registering Union Collective Agreements (AWA's).

In total there are approximately 76 industrial agreements which involved the SDA. During the 2008/2009 financial year 28 were negotiated or renegotiated and lodged for approval with the appropriate authority. The majority of these Agreements were subsequently approved. Industrial agreements provide an opportunity to improve the wages and industrial interests of members and provide additional flexibility for employers.

In addition to using industrial agreements as a vehicle for furthering the interests for members the safety nets of awards underpinning industrial agreements have also been updated in accordance with national wage decisions and for the process of modernization.

- b) Where industrial matters cannot be resolved through negotiation it may be necessary for them to be referred to the AIRC for conciliation and/or arbitration. In this respect approximately one or two matters per month were referred to the AIRC to be dealt with by conciliation and/or arbitration.
- c) The result of these 8 activities have been general increases in industrial agreements wages, allowances and conditions of about 2.5% - 3.5% per annum depending on the industry and employer. There have also been considerable improvements in the flexibility of working arrangements that has benefited many members' particularly female members who may have to combine work with family responsibilities.

Matters referred to the AIRC have been largely resolved to members' satisfaction.

- d) The SDA also handles matters involving work related injuries and has had an average of 30 ongoing files at any one time during the 2008/2009 financial year.
- e) Fourteen (14) Training courses were conducted during the 2008/2009 financial year.
- f) There have been no significant changes in the activities of the SDA during the 2008/2009 financial year.

2. Details of significant changes in units financial affairs:

There have been no significant changes in the Branch's financial affairs.

3. Detail of the right of members to resign under S174 of Part 3 of the Workplace Relations Amendment (Forward with Fairness) Act 2008 (Transitions Act).

Members of the SDA are entitled to resign pursuant to schedule 1 clause 174 Registration and Accountability of Organizations. The SDA strictly adheres to the resignation from membership provisions, contained therein. Those rights include:

- Resignation by notice in writing.
- Resignation takes effect on the day it is received or the day specified in the notice or at the end of a two week period, whichever is applicable.

4. Details of any officer or member of the reporting unit who is:

- a) A trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- b) A director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

Where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organization.

The Secretary of the Branch is an alternate director of the Retail Employees Superannuation Trust but this is not a requirement of the fund.

5. Details of membership of the Committee of Management –

COMMITTEE OF MANAGEMENT 1ST JULY 2008 – 30TH JUNE 2009

Branch President	Rita Mahony	
Branch Vice President	Phyllis McMahon	
Branch Secretary	Joseph Bullock	
Branch Assistant Secretary	Martin Pritchard	
Branch Treasurer	Catherine Doust	
Branch Members ((7)	Michelle Carey	1 st July 2008 – 18 th February 2009 Replaced by Margaret Zurakowski
	Margaret Zurakowski	19 th February 2009 – 30 th June 2009
	Mina Crawford	1 st July 2008 – 3 rd December 2008 Replaced by Grace Giles
	Grace Giles	4 th December 2008 – 30 th June 2009
	Patricia Glasson	
	Tony Hoh	
	Wendy Morrow	
	Jacqueline Taft	
	Earle Wendt	

6. Other

- The report is signed and dated
- The number of members of the SDA WA Branch at 30/06/2009 is 20,136.
- The Branch employs no employees
- At point (1) the report contains a review of principal activities
- At point (2) are details of significant change of activities that being nil
- At point (4) are details of superannuation trustees
- At point (5) are details of membership of the Committee of Management

SIGNED

DATED


JOSEPH BULLOCK
BRANCH SECRETARY.

2nd Sept 2009.

Explanatory Note

The *financial reporting guidelines* on the following pages were made by the then Industrial Registrar of the Australian Industrial Relations Commission, prior to the commencement of operation of the *Fair Work (Registered Organisations) Act 2009* on 1 July 2009.

Arising from provisions of the *Fair Work (Transitional Provisions and Consequential Amendments) Act 2009*, these guidelines continue in force as if references to things listed in column 1 in the table below, were references to the things listed opposite them in column 2, unless the context otherwise requires.

the Commission	Fair Work Australia or FWA
RAO Schedule	Fair Work (Registered Organisations) Act 2009
Schedule 1B of the Workplace Relations Act 1996	Fair Work (Registered Organisations) Act 2009
Industrial Registrar	General Manager of FWA
a Registrar	the General Manager of FWA
RAO regulations	Fair Work (Registered Organisations) Regulations 2009
Workplace Relations (Registration and Accountability of Organisations) Regulations 2003	Fair Work (Registered Organisations) Regulations 2009