



22 January 2015

Mr Peter O'Keeffe
Branch Secretary
Western Australian Branch
Shop, Distributive and Allied Employees Association
GPO Box 2556
Perth WA 6001

Dear Mr O'Keeffe,

**Shop, Distributive and Allied Employees Association-Western Australian Branch
Financial Report for the year ended 30 June 2014 - [FR2014/337]**

I acknowledge receipt of the financial report of the Shop, Distributive and Allied Employees Association-Western Australian Branch. The documents were lodged with the Fair Work Commission on 12 December 2014.

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

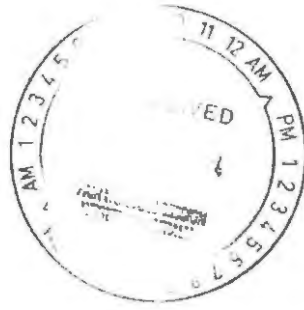
The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act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

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

If you have any queries regarding this letter, please contact me on [REDACTED] or via email at [REDACTED]

Yours sincerely

Carolyn Moloney
Assistant Adviser
Regulatory Compliance Branch



INK
12th December 2014

The General Manager
Fair Work Commission
GPO Box 1994
MELBOURNE VIC 3001

Dear Madam

RE: Financial Documents – 30 June 2014
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 2014.

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

Yours faithfully,

PETER O'KEEFFE
BRANCH SECRETARY

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All correspondence to be addressed to the Branch Secretary

Shop, Distributive and Allied Employees' Association (Western Australian Branch)

Branch Secretary: Peter O'Keeffe

ABN 49 055 257 014

Registered Office: 5th Floor, 25 Barrack Street, Perth WA 6000 • Postal Address: GPO Box 2556, Perth WA 6001

Phone: (08) 9221 4321 • Facsimile: (08) 9221 2774 • Email: sda@sdawa.asn.au • Website: www.sdawa.asn.au

Designated Officer's Certificate

s268 Fair Work (Registered Organisations) Act 2009

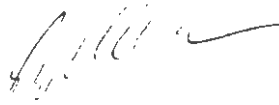
I, Peter O'Keefe being the Branch Secretary of the Shop, Distributive and Allied Employees' Association, Western Australian Branch certify:

That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and

That the full report, was provided to members on 18th September 2014; and

That Rule 19 (c) of the Branch rules provide for the calling of a General Meeting consistent with the provisions of s266(3) of the Fair Work (Registered Organisations) Act 2009 and as such the full report was presented to and received and adopted by the Branch committee of Management on 3rd December 2014.

Signature:



Date:

12/12/14

Operating Report of THE SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES'
ASSOCIATION, WESTERN AUSTRALIAN BRANCH
(2013/2014) Financial Year

1. Review of unit's principal activities during the last financial year including significant changes:

a) Major cases which the State Branch either ran or were associated with:

- The SDA WA Branch sought the Fair Work Commission's (FWC) assistance in arbitrating a dispute with Coles Supply Chain Pty Ltd over the redundancy provisions in the Coles Liquor Distribution Center WA Agreement when the company moved operations from the Liquor Distribution Centre into the main grocery warehouse.

The majority of members were transferred without incident with agreed protection of superior pay and conditions but nine members remained in dispute with the company. After discussions to resolve reached an impasse, the matter was referred to the FWC to resolve. Five received their full redundancy entitlement, two were found to have acceptable alternative employment once the company gave undertakings during the proceedings and two were unsuccessful but had already left the company's employment by the time the decision was handed down.

- The WA Branch is also supporting the Association in a case opposing an application by the Pharmacy Guild of Western Australia to create a new state award that has inferior penalty provisions to the current state award.
- The Association has also been involved in campaigning for the General Retail Industry Award to move towards paying the adult rate at 18 years of age. Adult rates at 20 have been achieved but the campaign continues. This has been actively supported by the Branch.

b) In addition to the above cases the WA Branch lodged fifteen unfair dismissal claims and two general protections claims with the FWC. The majority of cases were settled to the satisfaction of the member. The early intervention of industrial officers and organisers in industrial disputes which may have resulted in termination saved the employment of many members.

c) The Union employed 21-25 organisers during the financial year with one of their functions being to visit retail and wholesale stores and distribution centres on a regular basis. Organisers provide a valuable daily "hands on" service to members and were instrumental in solving industrial questions and problems as they arose.

They are also promoting the principle of adult rates of pay at 18 years of age and the implementation of adult rates at 20 years of age.

d) The SDA is a party to 87 enterprise agreements which were actively monitored on behalf of members. Twenty-one agreements were negotiated and approved by the FWC during the 2013/14 financial year.

The enterprise agreements provide improved wages, conditions and flexibilities for members in addition to the modern award and legislative safety net standards.

e) The SDA supports members and handles matters involving work related injuries commonly known as "workers' compensation", and has had between 40 and 46 ongoing files at any one time during the 2013/2014 financial year.

The majority of claims were settled in conjunction with the Union's lawyers, Fiocco's Lawyers. This ensures members had proper support and legal representation.

f) Nine training courses were conducted during the 2013/2014 financial year.

2. Details of significant changes in the unit's financial affairs:

There have been no significant changes to the branch's financial affairs.

3. Detail of the right of members to resign under S174 of the Fair Work (Registered Organisations) Act 2009.

Members of the SDA are entitled to resign pursuant to section 174 Termination of Membership. The SDA strictly adheres to the resignation from membership provisions, contained therein. These 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 current President, Joseph Bullock was an alternate employee director of the Retail Employees Superannuation Trust until 30th May 2014, but this is not a requirement of the fund.

5. Details of membership of the Committee of Management –

COMMITTEE OF MANAGEMENT 1ST JULY 2013 – 30TH JUNE 2014

BRANCH PRESIDENT:	RITA MAHONY (1/7/2013 – 4/6/2014) JOSEPH BULLOCK (5/6/2014 – 30/6/2014)
BRANCH VICE PRESIDENT:	TONY HOH
BRANCH SECRETARY:	JOSEPH BULLOCK (1/7/2013 – 4/6/2014) PETER O'KEEFFE (5/6/2014 – 30/6/2014)
BRANCH ASSISTANT SECRETARY:	MARTIN PRITCHARD
BRANCH TREASURER:	PETER O'KEEFFE (1/7/2013 – 4/6/2014) RITA MAHONY (5/6/2014 – 30/6/2014)
BRANCH COMMITTEE OF MANAGEMENT MEMBERS	AMANDA ADAMS (1/7/2013 – 4/6/2014) PAMELA BOWMAN TREVOR COOK MARNIE GILBERT

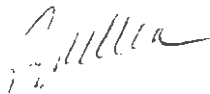
GRACE THOMSON
MARGARET ZURAKOWSKI
JON KELLY (1/7/2013 – 12/2/2014)

6. Other

- The report is signed and dated
- The number of members of the SDA WA Branch at 30th June 2014 was 22,965
- As at the 30th June 2014 the Branch employs 28 employees
- At point (1) the report contains a review of principal activities
- At point (2) are details of significant change of activities
- At point (3) are details of the rights of members to resign
- At point (4) are details of superannuation trustees
- At point (5) are details of membership of the Committee of Management

SIGNED

DATED



3/4/14

PETER O'KEEFFE
BRANCH SECRETARY.

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

Annual Financial Report

30 June 2014

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

30 June 2014

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Shop, Distributive and Allied Employees' Association,

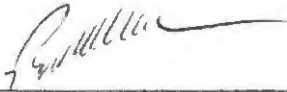
Western Australian Branch

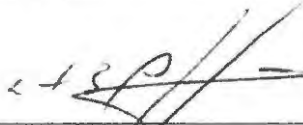
Committee of management statement

30 June 2014

We, Peter Francis O'Keeffe and Martin Brian Pritchard, being two members of the Committee of Management of the Shop, Distributive and Allied Employees' Association, Western Australian Branch ("the Entity"), do declare on behalf of the Committee and in accordance with a resolution passed by the Committee on 3 September 2014, that in the opinion of the Committee:

1. The financial report is a general purpose financial report which has been prepared in accordance with 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);
2. The financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
3. The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Entity for the financial year to which they relate;
4. There are reasonable grounds to believe that the Entity will be able to pay its debts as and when they become due and payable; and
5. During the year ended 30 June 2014 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 Entity;
 - (ii) The financial affairs of the Entity have been managed in accordance with the rules of the Shop, Distributive and Allied Employees' Association including the rules of the Entity;
 - (iii) The financial records of the Entity have been kept and maintained in accordance with the Fair Work (Registered Organisations) Regulations 2009 and the Fair Work (Registered Organisations) Act 2009;
 - (iv) The information sought in any request of a member of the Entity or The General Manager of Fair Work Australia duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of Fair Work Australia;
 - (v) There has been no recovery of wages activity undertaken during the period per section 255 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) There has been compliance with any order for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.


Peter Francis O'Keeffe
Branch Secretary


Martin Brian Pritchard
Assistant Branch Secretary

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch
Statement of financial position
As at 30 June 2014**

	Note	2014 \$	2013 \$
Assets			
Cash and cash equivalents	7	360,715	235,705
Trade and other receivables	8	5,165	194,427
Total current assets		<u>365,880</u>	<u>430,132</u>
Total assets		<u>365,880</u>	<u>430,132</u>
Liabilities			
Trade and other payables	9	86,165	15,836
Employee benefits	10	1,392	219,396
Total current liabilities		<u>87,557</u>	<u>235,232</u>
Total liabilities		<u>87,557</u>	<u>235,232</u>
Net assets		<u>278,323</u>	<u>194,900</u>
Accumulated funds		<u>278,323</u>	<u>194,900</u>
Total accumulated funds		<u>278,323</u>	<u>194,900</u>

The notes of pages 6 to 18 are an integral part of these financial statements.

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch
Statement of comprehensive income
For the year ended 30 June 2014**

	Note	2014 \$	2013 \$
Revenue			
Donations	12	1,177,496	1,231,445
Levies	12	48,416	-
Total revenue		<u>1,225,912</u>	<u>1,231,445</u>
Expenditure			
Affiliation dues	12	(526,613)	(478,034)
International Fund	12	(78,992)	(143,410)
Levies	12	(48,416)	(20,802)
Personnel expenses	11	(487,323)	(458,668)
Audit fees - KPMG		(1,230)	(1,195)
Bank charges		(60)	(60)
Total Expenditure		<u>(1,142,634)</u>	<u>(1,102,169)</u>
Interest income		145	80
Net finance income		<u>145</u>	<u>80</u>
Profit for the year		<u>83,423</u>	<u>129,356</u>
Total comprehensive income for the year		<u>83,423</u>	<u>129,356</u>

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch
Statement of changes in equity
For the year ended 30 June 2014**

2014

	Accumulated Funds \$
Balance at 1 July 2013	194,900
Income for the year	<u>83,423</u>
Total comprehensive income for the year	<u>83,423</u>
Balance at 30 June 2014	<u>278,323</u>

2013

	Accumulated Funds \$
Balance at 1 July 2012	65,544
Income for the year	<u>129,356</u>
Total comprehensive income for the year	<u>129,356</u>
Balance at 30 June 2013	<u>194,900</u>

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch
Statement of cash flows
For the year ended 30 June 2014**

	2014	2013
Note	\$	\$
Cash flows from operating activities		
Cash receipts from customers	1,415,415	1,293,589
Cash paid to suppliers and employees	(1,290,550)	(1,132,770)
Cash generated from operations	<u>124,865</u>	160,819
Interest received	145	80
Net cash from operating activities	<u>7 125,010</u>	160,899
Net increase in cash and cash equivalents	125,010	160,899
Cash and cash equivalents at 1 July	235,705	74,806
Cash and cash equivalents at 30 June	<u>7 360,715</u>	235,705

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 not for profit Entity 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 Australian Accounting Standards (AASB) adopted by the Australian Accounting Standards Board (AASB). The financial statements comply with International Financial Reporting Standards (IFRSs) 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 Fair Work (Registered Organisations) Act 2009.

The financial report was approved by the Members of the Committee of Management on 3 September 2014.

(b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, explained in the accounting policies below.

(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 in conformity with IFRSs 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.

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

3. Significant accounting policies

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

(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.

A financial instrument is recognised if the Entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Entity's contractual rights to the cash flows from the financial assets expire or if the entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position, when, and only when, the Entity has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

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 impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

All individually significant financial assets are assessed for specific impairment on an individual basis. The remaining financial assets are collectively assessed for impairment by grouping together with similar risk characteristics.

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 asset's original effective interest rate. Losses are recognised in profit or loss.

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

3. Significant accounting policies (cont.)

(b) Impairment (cont.)

(i) Financial assets (cont.)

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 the statement of comprehensive income.

(c) Revenue

(i) Donations

Donations sufficient to meet the expenses of the Entity were received only from the Shop, Distributive and Allied Employees' Association, of Western Australia (SDAWA). These expenses include the federal affiliation fee and the international fund levy. The federal affiliation fee is based on 10% of the membership fees earned by the SDAWA in the previous financial year. The international fund levy is based on 1.5% of the membership fees earned by the SDAWA in the previous year.

(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.

(f) Income tax

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

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Notes to the financial statements

3. Significant accounting policies (cont.)

(g) Fair values

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

(h) Going concern

The Committee of Management have prepared the financial report on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business and at the amounts stated in the financial report.

The Entity made a profit of \$83,423 for the year ended 30 June 2014 (30 June 2013: profit of \$129,356), had an operating cash flow of \$125,010 (30 June 2013: \$160,899) and a net current asset position of \$278,323 (30 June 2013: \$194,900).

The principal source of income is from The Shop, Distributive and Allied Employees' Association of Western Australia. If this income was discontinued, the Entity has a right to charge its members fees. Such fees would ensure the viability of the Entity as a going concern.

(i) Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an Entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

Long-term employee benefits

The Entity's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Entity's obligations.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Entity has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Notes to the financial statements

3. Significant accounting policies (cont.)

(j) New Standards and interpretations not yet adopted

New standards effective for the 30 June 2014 year end did not have any material effect.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 July 2014, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Entity, except for AASB 9 *Financial Instruments*, which becomes mandatory for the Entity's 2018 financial statements and could change the classification and measurement of financial assets. The Entity does not plan to adopt this standard early and the extent of the impact has not been determined.

4 Information to be provided to members or The General Manager of Fair Work Australia

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272, which reads as follows:

- 1) A member of an organisation, or the General Manager of Fair Work Australia, may apply to the organisation for specified prescribed information in relation to the organisation.
- 2) An organisation shall, on application made under subsection (1) by a member of the organisation or the General Manager of Fair Work Australia, make the specified information available to the member or the General Manager of Fair Work Australia in such manner, and within such time, as is prescribed.
- 3) The General Manager of Fair Work Australia may only make an application under subsection (1) at the request of a member of the organisation concerned, and the General Manager of Fair Work Australia shall provide to member information received because of an application made at the request of the member.

5 Right of member to resign

Under Section 174, Schedule 1 of the Fair Work (Registered Organisations) Act 2009,

- (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.

Shop, Distributive and Allied Employees' Association, Western Australian Branch

Notes to the financial statements

6 Financial instruments & financial risk management

(a) Overview

The Entity has exposure to the following risks from their 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, the Entity's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

The Committee of Management has overall responsibility for the establishment and oversight of the Entity's risk management framework and for developing and monitoring risk management policies.

The Entity's 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.

(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.

Trade and Other Receivables

The Entity's trade and other 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.

Cash and cash equivalents

The Entity mitigates credit risk by depositing funds with the Australian financial institutions with appropriate credit ratings.

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

6 Financial instruments & financial risk management (cont.)

(b) Credit risk (cont.)

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	
	2014	2013
	\$	\$
Trade receivables	5,165	194,427
Cash and cash equivalents	360,715	235,705
	<u>365,880</u>	<u>430,132</u>

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

	Carrying amount	
	2014	2013
	\$	\$
Australia	<u>5,165</u>	<u>194,427</u>

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

	Carrying amount	
	2014	2013
	\$	\$
Other	5,165	194,427
Total	<u>5,165</u>	<u>194,427</u>

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

6 Financial instruments & financial risk management (cont.)

(b) Credit risk (cont)

Impairment losses

The aging of the Entity's trade receivables at the reporting date was:

	Gross 2014	Impairment 2014	Gross 2013	Impairment 2013
	\$	\$	\$	\$
Not past due	5,165	-	194,427	-
Past due 0-60 days	-	-	-	-
Past due 60-120 days	-	-	-	-
	5,165	-	194,427	-

(c) Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. 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 2014	\$	\$	\$	\$	\$	\$
Non-derivative financial liabilities						
Trade and other payables	86,165	86,165	86,165	-	-	-
	86,165	86,165	86,165	-	-	-

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

6 Financial instruments & financial risk management (cont.)

(c) Liquidity risk (cont.)

30 June 2013	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	15,836	15,836	15,836	-	-	-
	<u>15,836</u>	<u>15,836</u>	<u>15,836</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

The Entity adopts a policy of ensuring that its exposure to changes in interest rates is limited to the investing in high return deposits with no fixed term.

Profile

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

	Carrying amount	
	2014 \$	2013 \$
Variable rate instruments		
Financial assets	<u>360,715</u>	<u>235,705</u>

An increase/(decrease) in interest rates of 100 basis points would have the effect of decreasing/(increasing) reported deficit by \$3,607/(\$3,607) (2013: decreasing/(increasing) reported deficit by \$2,357/(\$2,357)).

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

7 Cash and cash equivalents

	2014	2013
	\$	\$
Cash at bank	360,715	235,705
Cash and cash equivalents in the statement of cash flows	<u>360,715</u>	<u>235,705</u>

The Entity's exposure to interest rate risk and sensitivity analysis for financial assets and liabilities are disclosed in note 6.

Reconciliation of cash flows from operating activities

	2014	2013
	\$	\$
Cash flows from operating activities		
Profit for the year	83,423	129,356
Operating profit before changes in working capital	<u>83,423</u>	<u>129,356</u>
Change in trade and other receivables	189,262	(194,427)
Change in trade and other payables	70,329	6,574
Change in employee benefits	(218,004)	219,396
Net cash from operating activities	<u>125,010</u>	<u>160,899</u>

8 Trade and other receivables

	2014	2013
	\$	\$
Trade receivables	4,924	194,427
Other receivables	241	-
	<u>5,165</u>	<u>194,427</u>

The Entity's exposure to credit risk and impairment losses related to trade receivables are disclosed in note 6.

9 Trade and other payables

	2014	2013
	\$	\$
Other payables	86,165	15,836
	<u>86,165</u>	<u>15,836</u>

The Entity's exposure to liquidity risk related to trade and other payables is disclosed in note 6.

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

10 Employee benefits

	2014	2013
	\$	\$
<i>Holders of office</i>		
Annual leave	69	123,328
Long service leave	1,323	96,068
Separations and redundancies	-	-
Other	-	-
	<u>1,392</u>	<u>219,396</u>
<i>Other than holders of office</i>		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
	<u>-</u>	<u>-</u>

11 Personnel expenses

	2014	2013
	\$	\$
<i>Holders of office</i>		
Wages and salaries	155,831	136,420
Superannuation	48,973	24,229
Leave and other entitlements	14,194	54,521
Separations and redundancies	-	-
Other employee expenses	-	-
	<u>218,998</u>	<u>215,170</u>
<i>Other than holders of office</i>		
Wages and salaries	245,606	223,390
Superannuation	22,719	20,108
Leave and other entitlements	-	-
Separations and redundancies	-	-
Other employee expenses	-	-
	<u>268,325</u>	<u>243,498</u>
	<u>487,323</u>	<u>458,668</u>

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

12 Related party transactions

All donations and levies are received from the SDAWA. During the year, donations from SDAWA amounted to \$1,225,912 (2013: \$1,231,445). As at 30 June 2014, the amount of \$4,924 was owed by the SDAWA. This amount is included in trade receivables in note 6.

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, expenses incurred from the national office amounted to \$654,021 (2013: \$642,247) as follows:

	2014	2013
	\$	\$
ACTU IR Campaign	22,113	20,802
ALP 2013 Election Donation	25,642	-
Subscriptions	661	-
Affiliation fees/International fund	605,605	621,445
	<u>654,021</u>	<u>642,247</u>

As at 30 June 2014, the amount owed to the national office amounted to \$nil (2013: \$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.

14 Auditors remuneration

	2014	2013
	\$	\$
Audit Services		
Auditors of the Entity		
<i>KPMG Australia:</i>		
Audit of Financial Reports	1,120	1,090
Accounting Assistance	110	105
	<u>1,230</u>	<u>1,195</u>

**Shop, Distributive and Allied Employees' Association,
Western Australian Branch**

Notes to the financial statements

15 Remuneration of Committee of Management (Key management personnel)

The following persons held office through the entire period 1 July 2013 to 30 June 2014 unless otherwise indicated:

Branch President	Rita Mahony (01/07/2013-04/06/2014)
Branch President	Joseph Bullock (05/06/2014-30/6/2014)
Branch Vice President	Tony Hoh
Branch Secretary	Joseph Bullock (01/07/2013-04/06/2014)
Branch Secretary	Peter O'Keeffe (05/06/2014-30/06/2014)
Branch Assistant Secretary	Martin Pritchard
Branch Treasurer	Peter O'Keeffe (01/07/2013-04/06/2014)
Branch Treasurer	Rita Mahony (05/06/2014-30/06/2014)
Committee Member	Margaret Zurakowski
Committee Member	Grace Thomson
Committee Member	Pamela Bowman
Committee Member	Amanda Adams (01/07/2013-04/06/2014)
Committee Member	Marnie Gilbert
Committee Member	Trevor Cook
Committee Member	Jon Kelly (01/07/2013-12/02/2014)
National Council Delegate	Peter O'Keeffe
National Council Delegate	Joseph Bullock
National Council Delegate	Rita Mahony
National Council Delegate	Martin Pritchard
National Council Delegate	Grace Thomson

The total remuneration paid or payable, from the Entity to all the members of the Committee of Management for the year ended 30 June 2014 was \$218,997 (2013:\$190,200). Refer to note 11.



Independent auditor's report to the members of the Shop, Distributive and Allied Employees' Association Western Australian Branch

Report on the financial report

We have audited the accompanying financial report of the Shop, Distributive and Allied Employees' Association Western Australian Branch (the Entity), which comprises the statement of financial position as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 15 comprising a summary of significant accounting policies and other explanatory information and the Committee of Management's statement.

Committee of Management's responsibility for the financial report

The Committee of Management of the Entity is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 2, the Committee of Management also states, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 the *Fair Work (Registered Organisations) Act 2009* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Entity's financial position and of its performance.

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 Accounting Professional and Ethical Standards Board.

Auditor's opinion

In our opinion:

- (a) the financial report presents fairly, in all material respects, in accordance with the requirements imposed by the *Fair Work (Registered Organisations) Act 2009*, the financial position of the Shop, Distributive and Allied Employees' Association Western Australian Branch as of 30 June 2014 and of its financial performance and its cash flows for the year then ended;
- (b) the financial report complies with Australian Accounting Standards and the *Fair Work (Registered Organisations) Regulations 2009*; and
- (c) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.

Report on other regulatory requirements

- (a) In our opinion, the Committee of Management's use of the going concern basis of accounting in the preparation of the financial report is appropriate.
- (b) I am an approved auditor as defined by Regulation 4 of the *Fair Work (Registered Organisations) Regulations 2009*, a member of the Institute of Chartered Accountants in Australia and hold a current Public Practice Certificate.

KPMG

Matthew Beevers

Partner

Qualifications: Chartered Accountant (94498)

Perth

3 September 2014



11 December 2014

Mr Peter O'Keeffe
Branch Secretary
Shop, Distributive and Allied Employees Association-Western Australian Branch
Sent via email: sda@sdawa.asn.au

Dear Mr O'Keeffe,

Lodgement of Financial Report - Reminder to lodge on or before 15 January 2015

The Fair Work Commission's (the FWC) records disclose that the financial year of the Western Australian Branch of the Shop, Distributive and Allied Employees Association (the reporting unit) ended on the 30 June 2014.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with s.253 and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the completion of the financial reporting process is six months and 14 days after the expiry date of its financial year (s.253, s.254, s.265, s.266, s.268). For your reporting unit that requires lodgement of its financial report on or before 15 January 2015, and in any event no later than 14 days after the relevant meeting.

The FWC encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$51,000 per contravention on the organisation and up to \$10,200 per contravention on the individual officer.

Should you seek any clarification in relation to the above, please contact me on [REDACTED] or via email at [REDACTED]

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au



31 July 2014

Mr Joseph Bullock
Secretary
Shop, Distributive and Allied Employees Association-Western Australian Branch
Sent by email: sda@sdawa.asn.au

Dear Mr Bullock,

**Re: Lodgement of Financial Report - [FR2014/337]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Western Australian Branch of the Shop, Distributive and Allied Employees Association (the reporting unit) ended on 30 June 2014.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2015 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

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

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2014, are also available on the website. For your convenience, our webinar video and slides on the Reporting Guidelines have also been placed on the website.

The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Financial Reporting](#).

The financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) can be emailed to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents](#).

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on [REDACTED] or via email at [REDACTED]

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /	As soon as practicable after end of financial year
(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).		
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	Within a reasonable time of having received the GPFR (NB: Auditor's report must be dated on or after date of Committee of Management Statement)
Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting. or (b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.



25 July 2014

Mr Joseph Bullock
Secretary
Shop, Distributive and Allied Employees Association-Western Australian Branch
Sent by email: sda@sdawa.asn.au

Dear Mr Bullock,

**Re: Lodgement of Financial Report - [FR2014/337]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

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The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Financial Reporting](#).

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Should you seek any clarification in relation to the above, please contact me on [REDACTED] or via email at [REDACTED].

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

11 Exhibition Street
Melbourne VIC 3000
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TIMELINE/ PLANNER

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Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting.</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
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