



18 January 2018

Mr Peter O'Keeffe  
Branch Secretary  
Shop, Distributive and Allied Employees Association-Western Australian Branch  
By email: [sda@sdawa.asn.au](mailto:sda@sdawa.asn.au)

CC: [mbeever@kpmg.com.au](mailto:mbeever@kpmg.com.au)

Dear Mr O'Keeffe,

**Shop, Distributive and Allied Employees Association-Western Australian Branch  
Financial Report for the year ended 30 June 2017 - [FR2017/174]**

I acknowledge receipt of the financial report of the Shop, Distributive and Allied Employees Association-Western Australian Branch. The documents were lodged with the Registered Organisations Commission (the ROC) on 18 December 2017.

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 2018 may be subject to an advanced compliance review.

**Reporting Requirements**

New Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

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

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

Yours faithfully

David Vale  
Registered Organisations Commission

:SJ  
18<sup>th</sup> December 2017

Commissioner  
Registered Organisations Commission  
GPO Box 2983  
MELBOURNE VIC 3001  
[regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

Dear Sir/Madam

**RE: Financial Documents – 30 June 2017**  
**Shop, Distributive and Allied Employees' Association, Western Australian Branch**

Please find attached a copy of the Operating Report, Financial Statements 2016-17 and Auditor's Report in relation to the Shop, Distributive and Allied Employees' Association, Western Australian Branch for the year ended 30 June 2017.

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 Australia Branch)

ABN 49 055 257 014

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**THE UNION FOR  
WORKERS IN  
RETAIL.  
FAST FOOD.  
WAREHOUSING.**

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

## FINANCIAL STATEMENTS 2016–17

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# Independent Auditor's Report

To the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch

## Opinion

We have audited the **Financial Report** of the Shop, Distributive and Allied Employees' Association, Western Australian Branch (the Entity).

In our opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the Entity as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with *Australian Accounting Standards* and any requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisation) Act 2009*.

We declare that management's use of the going concern basis of preparation of the Financial Report of the Entity is appropriate.

The **Financial Report** comprise:

- Statement of financial position as at 30 June 2017
- Statement of other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Committee of Management Statement

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Entity in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

## Restriction on use

The Financial Report has been prepared to assist the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch in meeting the financial reporting requirements of the *Fair Work (Registered Organisations) Act 2009*.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch and should not be used by parties other than the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch. We disclaim any responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the members of the Shop, Distributive and Allied Employees' Association, Western Australian Branch or for any other purpose than that for which it was prepared.



## Other Information

Other Information is financial and non-financial information in Shop, Distributive and Allied Employees' Association, Western Australian Branch's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Committee of Management is responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Committee of Management for the Financial Report

The Committee of Management is responsible for:

- the preparation and fair presentation of the Financial Report in accordance with the financial reporting requirements of Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*
- implementing necessary internal control to enable the preparation of Financial Report that are free from material misstatement, whether due to fraud or error
- assessing the Entity's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: [http://www.auasb.gov.au/auditors\\_files/ar3.pdf](http://www.auasb.gov.au/auditors_files/ar3.pdf). This description forms part of our Auditor's Report.

I declare that 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

KPMG

Matthew Beevers  
Partner

Registration number (as registered by the Registered Organisations Commissioner under the *Registered Organisations Act 2009*): AA2017/176

235 St Georges Terrace  
Perth WA 6000

7 September 2017

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

**Certificate By Prescribed Designated Officer**

*for the year ended 30 June 2017*

I Peter O'Keeffe 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 for the Shop, Distributive and Allied Employees' Association, Western Australian Branch for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided via post to members of the reporting unit on or before 22<sup>nd</sup> September 2017; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 5 December 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer: Peter O'Keeffe

Title of prescribed designated officer: Branch Secretary

Dated:

5/12/17

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

### Operating Report

for the year ended 30 June 2017

The committee presents its report on the reporting unit for the financial year ended 30 June 2017.

#### (1) Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

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

- *Coles Kewdale Distribution Centre Incentive Dispute*
  - The WA Branch assisted a member to file an application to deal with a dispute arising under the *Coles Kewdale Distribution Centre WA Agreement 2014*. The dispute related to Coles' decision to freeze the rate at which the incentive was paid at 2014 rates, in circumstance where from about 1990, the incentive had increased in accordance with increases to rates of wage under relevant enterprise agreements. On 29 July 2016, Deputy President Bull of the Fair Work Commission dismissed the application. The WA Branch has engaged the services of a respected employment and labour law barrister, and Slater & Gordon lawyers, to appeal the decision. The appeal was successful, which resulted in the Coles making back payments to members and reverting to the correct rate at which incentive is paid.
- *Inghams*
  - The WA Branch was involved in enterprise bargaining negotiations with Inghams for a replacement to the Inghams Enterprises Pty Ltd Distribution Enterprise Agreement 2012. During these negotiations, the WA Branch filed a scope order application, to bring in a group of 'Weigh/Label' employees, who are covered under Inghams' processing agreement. The scope order application was unsuccessful, and the Weigh/Label employees continue to be covered by the processing agreement.
- *Masters*
  - The WA Branch provided assistance to members to ensure members were paid redundancy entitlements or redeployed into suitable alternative roles in Woolworths' Supermarkets, as a result of the closure of the Masters hardware stores.
- *Good Guys*
  - In early 2017, two WA Branch Organisers attempted to represent a member employed by The Good Guys in a disciplinary meeting, but were told by the Company's National Human Resources Manager that the organisers were not permitted to talk in the meeting on the member's behalf. It is the SDA's position that the conduct of the Company and Human Resources Manager was in breach of the Fair Work Act. For that reason, the SDA WA Branch filed an application in the Federal Court of Australia alleging various breaches of the 'General Protections' chapter of the Fair Work Act, and applying for monetary penalties to be imposed on both The Good Guys, and the Human Resources Manager. The parties are scheduled to attend a directions hearing in the Federal Court of Australia on 22 September 2017.

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

### Operating Report (continued)

for the year ended 30 June 2017

#### (1) Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year (continued)

- *Four yearly review of modern awards - District/Location Allowances*
    - The WA Branch's applications for location allowances are being dealt with in the context of the Fair Work Commission's four-yearly review of modern awards. However, this review is expected to carry over well into 2018. The WA Branch has engaged the services of Eureka Lawyers to take carriage of the applications. The location allowance applications are expected to be programmed for a hearing in late 2017 or early 2018.
  - *Termination of IGA Agreements*
    - The WA Branch successfully applied under section 225 of the Fair Work Act to terminate eight expired enterprise agreements that applied to various IGA stores.
  - *Campaigns*
    - The WA Branch concluded the 'At What Cost?' campaign which sought to ensure that any proposed changes to trading hours were subjected to a full public Parliamentary inquiry, where the costs of both previous and proposed changes on the whole community could be considered, alongside the benefits delivered to big retailers. This campaign involved television, print, and radio advertising.
- b) In addition to the above matters the WA Branch lodged about 20 unfair dismissal claims and five general protections claims with the Fair Work Commission on behalf of members. All of those matters were settled to the satisfaction of the member, save for one unfair dismissal application, and two general protections applications, which were still in progress. There were also a number of matters relating to dismissals and or underpayments which were settled to the satisfaction of the member without the need to lodge proceedings in the Commission. Further, 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 24 organisers during the financial year with one of their functions being to visit retail, fast food and wholesale stores and distribution centres on a regular basis to recruit and service members. Organisers provided a valuable daily "hands on" service to members and were instrumental in solving industrial questions and problems as they arose.
- d) The WA Branch's members were covered by about 95 enterprise agreements (including agreements past their nominal expiry date but still in force). About five agreements were negotiated by the National office and or the WA Branch and approved by the FWC during the 2016/17 financial year.

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



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

**Operating Report (continued)**

*for the year ended 30 June 2017*

**(5) Details of membership of the Committee of Management and periods of positions held during the financial year**

The following persons held office through the entire period 1 July 2016 to 30 June 2017 unless otherwise indicated:

Branch President	Joseph Bullock
Branch Vice President	Pamela Bowman
Branch Secretary	Peter O'Keeffe
Branch Assistant Secretary	Ben Harris
Branch Treasurer	Tony Hoh
Management Member	Margaret Zurakowski
Management Member	Grace Thomson
Management Member	Teegan Adams
Management Member	Trevor Cook
Management Member	Tennille Brymer
Management Member	Michele Moyes
Management Member	Kerrie Pugh

**(6) Number of members**

The number of persons in the register of members is 22,095.

**(7) Number of employees**

The reporting unit employed 29 employees during the year.

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

### **Operating Report (continued)**

*for the year ended 30 June 2017*

#### **(1) Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year (continued)**

- e) The WA Branch has maintained its relationship with Slater & Gordon Lawyers, which has ensured members have had, and will continue to have, proper support and legal representation. The WA Branch has also commenced a relationship with Eureka Lawyers.

The WA Branch supports members and handles matters involving work related injuries commonly known as "workers' compensation", and has had between 40 and 50 ongoing files at any one time during the 2016/2017 financial year. The majority of those claims were settled in conjunction with Slater & Gordon or Eureka Lawyers.

- f) The WA Branch continued to provide training courses for its delegates during the 2016/2017 financial year.
- g) There have been no significant changes in the WA Branch's principal activities.

#### **(2) Significant changes in financial affairs**

There were no significant changes in the state of affairs of the reporting unit that occurred during the year under review.

#### **(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 organisation**

Not applicable to any officers or members of the WA Branch.

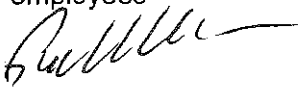
**Shop, Distributive and Allied Employees' Association, Western Australian Branch**

**OPERATING REPORT (continued)**

*for the year ended 30 June 2017*

**(8) Other**

- The report is signed and dated by the designated officer
- At point (1) the report contains a review of principal activities
- At point (2) are details of significant change of financial affairs
- 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
- At point (6) are details of number of members
- At point (7) are details of number of employees

Signature of designated officer:  .....

Name and title of designated officer: Peter O'Keeffe, Branch Secretary

Dated: 7<sup>th</sup> September 2017

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

**COMMITTEE OF MANAGEMENT STATEMENT**

*for the year ended 30 June 2017*

On the 7<sup>th</sup> September 2017 the Committee of Management of the Shop, Distributive and Allied Employees' Association, Western Australian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2017:

The Committee of management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer:  .....

Name and title of designated officer: Peter O'Keeffe, Branch Secretary

Dated: 7<sup>th</sup> September 2017

Shop, Distributive and Allied Employees' Association, Western Australian Branch  
Statement of Financial Position  
as at 30 June 2017

	Notes	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	264,062	89,592
Trade and other receivables	5B	14,358	199,776
<b>Total current assets</b>		<b>278,420</b>	<b>289,368</b>
<b>Total assets</b>		<b>278,420</b>	<b>289,368</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	6A	-	-
Other payables	6B	13,297	10,833
Employee provisions	7A	-	-
<b>Total current liabilities</b>		<b>13,297</b>	<b>10,833</b>
<b>Non-Current Liabilities</b>			
Employee provisions	7A	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>13,297</b>	<b>10,833</b>
<b>Net assets</b>		<b>265,123</b>	<b>278,535</b>
<b>EQUITY</b>			
General funds	8A	-	-
Retained earnings (accumulated surplus)		265,123	278,535
<b>Total equity</b>		<b>265,123</b>	<b>278,535</b>

The above statement should be read in conjunction with the notes.

**Shop, Distributive and Allied Employees' Association, Western Australian Branch**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2017*

		2017	2016
	Notes	\$	\$
<b>Revenue</b>			
Membership subscription		-	-
Capitation fees	3A	-	-
Levies	3B	10,700	72,040
Interest	3C	45	109
<b>Total revenue</b>		<u>10,745</u>	<u>72,149</u>
<b>Other Income</b>			
Grants and/or donations	3D	1,012,327	998,972
<b>Total other income</b>		<u>1,012,327</u>	<u>998,972</u>
<b>Total income</b>		<u>1,023,072</u>	<u>1,071,121</u>
<b>Expenses</b>			
Employee expenses	4A	(282,178)	(296,273)
Capitation fees	4B	-	-
Affiliation fees	4C	(742,327)	(701,381)
Administration expenses	4D	(10,700)	(72,040)
Grants or donations	4E	-	-
Legal costs	4F	-	-
Audit fees	11	(1,275)	(1,250)
Other expenses	4G	(4)	-
<b>Total expenses</b>		<u>(1,036,484)</u>	<u>(1,070,944)</u>
<b>(Deficit)/surplus for the year</b>		<u>(13,412)</u>	<u>177</u>
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
<b>Total comprehensive (loss)/income for the year</b>		<u>(13,412)</u>	<u>177</u>

The above statement should be read in conjunction with the notes.

**Shop, Distributive and Allied Employees' Association, Western Australian Branch**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2017*

	Notes	General funds \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2015</b>		-	278,358	278,358
Surplus		-	177	177
Other comprehensive income		-	-	-
<b>Closing balance as at 30 June 2016</b>		-	<b>278,535</b>	<b>278,535</b>
Deficit		-	<b>(13,412)</b>	<b>(13,412)</b>
Other comprehensive income		-	-	-
<b>Closing balance as at 30 June 2017</b>		-	<b>265,123</b>	<b>265,123</b>

The above statement should be read in conjunction with the notes.

**Shop, Distributive and Allied Employees' Association, Western Australian Branch**  
**Statement of Cash Flows**  
*for the year ended 30 June 2017*

	Notes	2017 \$	2016 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units	9B	-	-
Cash receipts from customers		<b>1,209,000</b>	924,609
Interest		<b>45</b>	109
Other		-	-
		<b>1,209,045</b>	924,718
<b>Cash used</b>			
Employees		<b>(282,178)</b>	(296,273)
Suppliers		<b>630</b>	(52,166)
Payment to other reporting units	9B	<b>(753,027)</b>	(773,421)
<b>Net cash from/(used in) operating activities</b>	9A	<b>174,470</b>	(197,142)
<b>Net increase/(decrease) in cash held</b>		<b>174,470</b>	(197,142)
Cash & cash equivalents at the beginning of the reporting period		<b>89,592</b>	286,734
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>264,062</b>	89,592

The above statement should be read in conjunction with the notes.



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## **Note 1 Summary of significant accounting policies**

### **1.1 Basis of preparation of the financial statements**

The financial statements are Tier 1 general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Shop, Distributive and Allied Employees' Association, Western Australian Branch is a not-for-profit entity.

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, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

### **1.2 Comparative amounts**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### **1.3 Significant accounting judgements and estimates**

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### **1.4 New Australian Accounting Standards**

#### ***Adoption of New Australian Accounting Standard requirements***

No accounting standard has been adopted earlier than the application date stated in the standard.

- AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle* clarify certain requirements in:
  - AASB 5 Non-current Assets Held for Sale and Discontinued Operations – Changes in methods of disposal
  - AASB 7 Financial Instruments: Disclosures – servicing contracts; applicability of the amendments to AASB 7 to condensed interim financial statements
  - AASB 119 Employee Benefits – regional market issue regarding discount rate
  - AASB 134 Interim Financial Reporting – disclosure of information 'elsewhere in the interim financial report'

The nature and effects of the changes required by this standard has no material impact on the financial statements of the Reporting Unit.

- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* amends AASB 101 Presentation of Financial Statements to clarify existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying the Standard in determining what information to disclose, where and in what order information is presented in their financial statements. For example the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures.

The nature and effects of the changes required by this standard has no material impact on the financial statements of the Reporting Unit.

### ***Future Australian Accounting Standards Requirements***

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on Shop, Distributive and Allied Employees' Association, Western Australian Branch include AASB 9 Financial Instruments and AASB 15 Revenue from Contracts with Customers, which both become mandatory from the Reporting Unit's 2019 financial statements, and AASB 16 Leases which will become mandatory from the Reporting Unit's 2020 financial statements. The Reporting Unit does not plan to adopt these standards early and the extent of the impact has not been determined.

#### **1.5 Revenue**

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

Donations sufficient to meet the expenses of the Reporting Unit 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. Donations are recognised when the donation is received or receivable.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

#### **1.6 Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Reporting Unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The Reporting Unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

#### ***De-recognition of financial assets***

The Reporting Unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

### **1.10 Financial Liabilities**

Financial liabilities are classified as other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

#### ***Other financial liabilities***

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

## 1.7 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts.

## 1.8 Financial instruments

Financial assets and financial liabilities are recognised when the Shop, Distributive and Allied Employees' Association, Western Australian Branch becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## 1.9 Financial assets

Financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### ***Loan and receivables***

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

### ***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

### ***Impairment of financial assets***

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

### ***De-recognition of financial liabilities***

The Reporting Unit derecognises financial liabilities when, and only when, the Reporting Units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### **1.11 Contingent Liabilities and Contingent Assets**

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

#### **1.12 Taxation**

The Shop, Distributive and Allied Employees' Association, Western Australian Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

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

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

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

#### **1.13 Fair value measurement**

The fair values of financial instruments measured at amortised cost are disclosed in Note 13A. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by The Shop, Distributive and Allied Employees' Association, Western Australian Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Shop, Distributive and Allied Employees' Association, Western Australian Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Shop, Distributive and Allied Employees' Association, Western Australian Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Shop, Distributive and Allied Employees' Association, Western Australian Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

#### **1.14 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 Reporting Unit made a loss of \$13,412 for the year ended 30 June 2017 (30 June 2016: profit of \$177), had an operating cash inflow of \$174,470 (30 June 2016: outflow of \$197,142) and a net current asset position of \$265,123 (30 June 2016: \$278,535).

The principal source of income is from The Shop, Distributive and Allied Employees' Association of Western Australia. Whilst past practice has been for The Shop, Distributive and Allied Employees' Association of Western Australia to donate sufficient funds to the Reporting Unit to meet its operating costs, if this income was discontinued, the Reporting Unit has the ability to directly charge its members fees which would be sufficient to meet its operating costs.

The Shop, Distributive and Allied Employees' Association, Western Australian Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Shop, Distributive and Allied Employees' Association, Western Australian Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

## Note 2 Events after the reporting period

There were no events that occurred after 30 June 2017, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of The Shop, Distributive and Allied Employees' Association, Western Australian Branch.

2017	2016
\$	\$

## Note 3 Income

### Note 3A: Capitation fees

Nil	-	-
<b>Total capitation fees</b>	<u>-</u>	<u>-</u>

### Note 3B: Levies

ACTU IR Campaign	-	23,578
ALP 2016 Election Donation	-	27,385
100% Pay Week of Action	-	8,643
Subscriptions and printing	902	932
Intranet	9,798	11,502
ACTU congress Accommodation	-	-
<b>Total levies</b>	<u>10,700</u>	<u>72,040</u>

### Note 3C: Interest

Deposits	45	109
<b>Total interest</b>	<u>45</u>	<u>109</u>

### Note 3D: Grants or donations

Grants	-	-
Donations	1,012,327	998,972
<b>Total grants or donations</b>	<u>1,012,327</u>	<u>998,972</u>



	2017	2016
	\$	\$
<b>Note 4D: Administration expenses</b>		
Consideration to employers for payroll deductions		-
Compulsory levies		
Shop, Distributive and Allied Employees Association – ACTU IR Campaign	-	23,578
Shop, Distributive and Allied Employees Association – ALP 2016 Election Donation	-	27,385
Shop, Distributive and Allied Employees Association – 100% Pay Week of Action	-	8,643
Shop, Distributive and Allied Employees Association – Subscriptions and printing	902	932
Intranet	9,798	11,502
Shop, Distributive and Allied Employees Association - ACTU congress Accommodation	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
<b>Total administration expense</b>	<u>10,700</u>	<u>72,040</u>

**Note 4E: Grants or donations**

Grants:

Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-

Donations:

Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-

<b>Total grants or donations</b>	<u>-</u>	<u>-</u>
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**Note 4F: Legal costs**

Litigation	-	-
Other legal matters	-	-
<b>Total legal costs</b>	<u>-</u>	<u>-</u>

**Note 4G: Other expenses**

Penalties - via RO Act or RO Regulations	-	-
Bank Charges	4	-
<b>Total other expenses</b>	<u>4</u>	<u>-</u>

	2017	2016
	\$	\$
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	2,400	1,600
Superannuation	228	152
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses holders of office</b>	<u>2,628</u>	<u>1,752</u>
<b>Employees other than office holders:</b>		
Wages and salaries	255,297	268,963
Superannuation	24,253	25,558
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses employees other than office holders</b>	<u>279,550</u>	<u>294,521</u>
<b>Total employee expenses</b>	<u>282,178</u>	<u>296,273</u>
<b>Note 4B: Capitation fees</b>		
NIL	-	-
<b>Total capitation fees</b>	<u>-</u>	<u>-</u>
<b>Note 4C: Affiliation fees</b>		
Shop, Distributive and Allied Employees Association	742,327	701,381
International Fund	-	-
<b>Total affiliation fees/subscriptions</b>	<u>742,327</u>	<u>701,381</u>

2017	2016
\$	\$

**Note 5 Current Assets**

**Note 5A: Cash and Cash Equivalents**

Cash at bank	<u>264,062</u>	89,592
<b>Total cash and cash equivalents</b>	<u>264,062</u>	<u>89,592</u>

**Note 5B: Trade and Other Receivables**

Receivables from other reporting units NIL	-	-
<b>Total receivables from other reporting units</b>	<u>-</u>	<u>-</u>

Less provision for doubtful debts NIL	-	-
<b>Total provision for doubtful debts</b>	<u>-</u>	<u>-</u>
<b>Receivable from other reporting units (net)</b>	<u>-</u>	<u>-</u>

**Other receivables:**

GST receivable	-	-
Other trade receivables	<u>14,358</u>	199,776
<b>Total other receivables</b>	<u>14,358</u>	<u>199,776</u>
<b>Total trade and other receivables (net)</b>	<u>14,358</u>	<u>199,776</u>

**Note 6 Current Liabilities**

**Note 6A: Trade payables**

Trade creditors and accruals	-	-
Operating lease rentals	-	-
<b>Subtotal trade creditors</b>	<u>-</u>	<u>-</u>

Payables to other reporting units NIL	-	-
<b>Subtotal payables to other reporting units</b>	<u>-</u>	<u>-</u>

<b>Total trade payables</b>	<u>-</u>	<u>-</u>
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Settlement is usually made within 30 days.

	2017	2016
	\$	\$
<b>Note 6B: Other payables</b>		
Superannuation	2,588	2,033
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
GST payable	-	-
Other	10,709	8,800
<b>Total other payables</b>	<u>13,297</u>	<u>10,833</u>

Total other payables are expected to be settled in:

No more than 12 months	13,297	10,833
More than 12 months	-	-
<b>Total other payables</b>	<u>13,297</u>	<u>10,833</u>

## Note 7 Provisions

### Note 7A: Employee Provisions

#### Office Holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

#### **Subtotal employee provisions—office holders**

<u>-</u>	<u>-</u>
----------	----------

#### Employees other than office holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

#### **Subtotal employee provisions—employees other than office holders**

<u>-</u>	<u>-</u>
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#### **Total employee provisions**

<u>-</u>	<u>-</u>
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Current	-	-
Non-current	-	-
<b>Total employee provisions</b>	<u>-</u>	<u>-</u>

	2017	2016
	\$	\$
<b>Note 8 Equity</b>		
<b>Note 8A: Other Specific disclosures - Funds</b>		
<b>Compulsory levy/voluntary contribution fund – if invested in assets</b>		
NIL	-	-
<b>Other funds required by rules</b>		
NIL		
<b>Balance as at start of year</b>	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at end of year</b>	<u>-</u>	<u>-</u>

## Note 9 Cash Flow

### Note 9A: Cash Flow Reconciliation

#### Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

#### Cash and cash equivalents as per:

Cash flow statement	264,062	89,592
Balance sheet	264,062	89,592
<b>Difference</b>	<u>-</u>	<u>-</u>

#### Reconciliation of profit to net cash from operating activities:

(Deficit)/surplus for the year	(13,412)	177
<b>Changes in assets/liabilities</b>		
Decrease/(increase) in net receivables	185,418	(146,352)
Increase/(decrease) in trade and other payables	2,464	(50,899)
(Decrease) in employee provisions	-	(68)
<b>Net cash from/(used by) operating activities</b>	<u>174,470</u>	<u>(197,142)</u>

### Note 9B: Cash flow information

#### Cash inflows

Cash inflows from other reporting units	-	-
<b>Total cash inflows</b>	<u>-</u>	<u>-</u>

#### Cash outflows

Cash outflows from other reporting units	753,027	773,421
<b>Total cash outflows</b>	<u>753,027</u>	<u>773,421</u>

2017	2016
\$	\$

## Note 10 Related Party Disclosures

### Note 10A: Related Party Transactions for the Reporting Period

All donations and levies are received from the SDAWA. During the year, donations from SDAWA amounted to \$1,023,027 (2016: \$1,071,012). As at 30 June 2017, the amount of \$14,358 (2016: \$197,776) was owed by the SDAWA. This amount is included in trade receivables in note 5B.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

**Revenue received from The Shop, Distributive and Allied Employees' Association of Western Australia includes the following:**

Donations	1,023,027	1,071,012
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**Revenue received from the Shop, Distributive and Allied Employees Association includes the following:**

National Council Reimbursement	-	47,328
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**Expenses paid to the Shop, Distributive and Allied Employees' Association includes the following:**

ACTU IR Campaign	-	23,578
ALP 2016 Election Donation	-	27,385
100% Pay Week of Action	-	8,643
Subscriptions and printing	902	932
Intranet	9,798	11,502
ACTU Congress Accommodation	-	-
Affiliation fees/International fund	742,327	701,381

**Amounts owed by The Shop, Distributive and Allied Employees' Association of Western Australia include the following:**

Donations	11,770	197,743
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### Note 10B: Key Management Personnel Remuneration for the Reporting Period

**Short-term employee benefits**

Salary (including annual leave taken)	2,400	1,600
Annual leave accrued	-	-
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<b>2,400</b>	<b>1,600</b>

2017	2016
\$	\$

**Note 10B: Key Management Personnel Remuneration for the Reporting Period (continued)**

**Post-employment benefits:**

Superannuation	228	152
<b>Total post-employment benefits</b>	<b>228</b>	<b>152</b>

**Other long-term benefits:**

Long-service leave	-	-
<b>Total other long-term benefits</b>	-	-

**Termination benefits**

<b>Total</b>	<b>2,628</b>	<b>1,752</b>
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**Note 11 Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	1,150	1,132
Accounting Assistance	125	118
<b>Total remuneration of auditors</b>	<b>1,275</b>	<b>1,250</b>

No other services were provided by the auditors of the financial statements.

**Note 12 Financial Instruments**

The Reporting Unit has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Reporting Unit's exposure to each of the above risks, the Reporting Unit'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 Reporting Unit's risk management framework and for developing and monitoring risk management policies.

The Reporting Unit's risk Management policies are established to identify and analyse the risks faced by the Reporting Unit, 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 Reporting Unit's activities. The Reporting Unit, 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 Reporting Unit's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Reporting Unit.

2017	2016
\$	\$

**Note 12A: Categories of Financial Instruments**

***Financial Assets***

Loans and receivables:		
Cash and cash equivalents	264,062	89,592
Trade and other receivables	14,358	199,776
<b>Total</b>	<b>278,420</b>	<b>289,368</b>
<b><i>Carrying amount of financial assets</i></b>	<b>278,420</b>	<b>289,368</b>

***Financial Liabilities***

Other financial liabilities:		
Trade and other payables	13,297	10,833
<b>Total</b>	<b>13,297</b>	<b>10,833</b>
<b><i>Carrying amount of financial liabilities</i></b>	<b>13,297</b>	<b>10,833</b>

**Note 12B: Net Income and Expense from Financial Assets**

<b>Loans and receivables</b>		
Interest revenue	45	109
<b>Net gain from loans and receivables</b>	<b>45</b>	<b>109</b>
<b>Net gain from financial assets</b>	<b>45</b>	<b>109</b>

The net income/expense from financial assets not at fair value from profit and loss is \$45 (2016: \$109).

**Note 12C: Credit Risk**

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

***Trade and Other Receivables***

The Reporting Unit'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 Reporting Unit mitigates credit risk by depositing funds with Australian financial institutions with appropriate credit ratings.



2017      2016  
\$            \$

**Note 12C: Credit Risk (continued)**

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

<b>Financial and other assets</b>		
Trade and other receivables	14,358	199,776
Cash and cash equivalents	264,062	89,592
<b>Total</b>	<u>278,420</u>	<u>289,368</u>

In relation to the entity's gross credit risk, no collateral is held.

**Credit quality of financial instruments not past due or individually determined as impaired**

	Not Past Due Nor Impaired 2017 \$	Past due or impaired 2017 \$	Not Past Due Nor Impaired 2016 \$	Past due or impaired 2016 \$
Trade Receivables	14,358	-	199,776	-
<b>Total</b>	<u>14,358</u>	<u>-</u>	<u>199,776</u>	<u>-</u>

**Ageing of financial assets that were past due but not impaired for 2017**

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	-	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Ageing of financial assets that were past due but not impaired for 2016**

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	-	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Note 12D: Liquidity Risk**

Liquidity risk is the risk that the Reporting Unit will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Reporting Unit'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 Reporting Unit's reputation.

**Note 12D: Liquidity Risk (continued)**

Typically the Reporting Unit 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 Reporting Unit does not maintain any lines of credit.

**Contractual maturities for financial liabilities 2017**

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	13,297	-	-	-	13,297
<b>Total</b>	-	13,297	-	-	-	13,297

Contractual maturities for financial liabilities 2016

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade and other payables	-	10,833	-	-	-	10,833
<b>Total</b>	-	10,833	-	-	-	10,833

**Note 12E: Market Risk**

Market risk is the risk that changes in market prices, such as interest rates will affect the Reporting Unit'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.

**Sensitivity analysis of the risk that the entity is exposed to for 2017**

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Effect on Equity \$
Interest rate risk	-	[+ 1%]	2,640	-
Interest rate risk	-	[- 1%]	(2,640)	-

Sensitivity analysis of the risk that the entity is exposed to for 2016

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Effect on Equity \$
Interest rate risk	-	[+ 1%]	895	-
Interest rate risk	-	[- 1%]	(895)	-

## **Note 13 Fair Value Measurement**

### **Note 13A: Financial Assets and Liabilities**

Management of the Reporting Unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

### **Note 14 Section 272 Fair Work (Registered Organisations) Act 2009**

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

Information to be provided to members or General Manager:

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