

DECLARATION

CORRECTING MEMBERSHIP FIGURES CONTAINED IN INFORMATION LODGED BY THE **NATIONAL RETAIL ASSOCIATION LIMITED** REGARDING FINANCIAL REPORTING

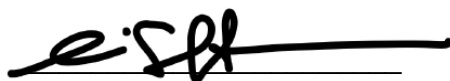
I, TIMOTHY SCHAAFSMA, Level 3, 67 St Pauls Terrace, Spring Hill declare that:

1. I am the Chairperson of the National Retail Association Limited, an organisation registered under the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**) and am authorised to make this declaration.
2. For the financial years 2018, 2019, 2020, 2021, 2022, the organisation lodged information with the Registered Organisations Commission (**ROC**) in relation to the financial affairs of the organisation, including for the purposes of lodging financial reports and of seeking certificates under section 269 of the RO Act in relation to financial reporting for particular years. Among that information were the apparent membership figures for those years.
3. In conjunction with an Inquiry by the ROC under section 330 of the RO Act, the organisation undertook an investigation of its membership – including membership figures reported in those documents – and found the following variances with the figures previously reported:

As at 30 June	2018	2019	2020	2021	2022
Previously declared	5,610	5,936	5,715	5,485	6,697
Corrected	4910	5278	5125	4048	5343
Variance	700	658	590	1437	1354

4. I declare that the 'corrected' number listed above for each of the named years is the correct membership figures as at 30 June in that year.

Signed:



Tim Schaafsma
Chairperson

Dated:

23 /12 / 2022



Australian Government
Registered Organisations Commission

11 March 2021

Ms Lindsay Carroll
Deputy Chief Executive Officer
National Retail Association Limited, Union of Employers

By email: info@nra.net.au

Dear Ms Carroll

Section 269 application for certificate stating financial affairs of reporting unit are encompassed by financial affairs of associated State body for year ended 30 June 2020 (FR2020/251)

I refer to the application lodged pursuant to section 269 of the *Fair Work (Registered Organisations) Act 2009* in respect of the National Retail Association Limited, Union of Employers for the financial year ended 30 June 2020. The application was lodged with the Registered Organisations Commission on 25 November 2020.

I also acknowledge the reporting unit's advice that in future years, the reporting unit will prepare the associated State body's financial reports in accordance with only the prescribed State Act.

I have granted the application. The certificate is attached.

Should you wish to discuss this matter please contact Ken Morgan on (03) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours sincerely

A handwritten signature in blue ink, appearing to be 'CE', with a small blue dash to the right.

Chris Enright
Executive Director
Registered Organisations Commission



CERTIFICATE

Fair Work (Registered Organisations) Act 2009

s.269(2)(a)—Reporting unit's financial affairs encompassed by associated State body

National Retail Association Limited, Union of Employers
(FR2020/251)

MR ENRIGHT

MELBOURNE, 11 MARCH 2021

Reporting unit's financial affairs encompassed by associated State body

[1] On 25 November 2020 an application was made under s.269(2)(a) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the National Retail Association Limited, Union of Employers (the reporting unit) for a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of National Retail Association Limited, Union of Employers (the Association), an associated State body, in respect of the financial year ending 30 June 2020.

[2] On 25 November 2020, the reporting unit lodged a copy of the audited accounts of the Association with the Registered Organisations Commission.

[3] I am satisfied that the Association:

- is registered under the *Industrial Relations Act 2016 (Qld)*, a prescribed State Act; and
- is, or purports to be, composed of substantially the same members as the reporting unit; and
- has, or purports to have, officers who are substantially the same as designated officers in relation to the reporting unit; and
- is an associated State body.

[4] I am further satisfied that:

- the Association has in accordance with prescribed State legislation, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the accounts with the relevant State authority;
- any members of the reporting unit who are not also members of the Association have been provided with copies of the accounts at substantially the same time as the members of the reporting unit who are members of the Association; and
- a report under s.254 of the Act has been prepared in respect of those activities of the reporting unit and has been provided to the members of the reporting unit with copies of the accounts.

[5] I am satisfied that the financial affairs of the reporting unit in respect of the financial year ending 30 June 2020, are encompassed by the financial affairs of the Association and I certify accordingly under s.269(2)(a) of the Act.



DELEGATE OF THE COMMISSIONER

Printed by authority of the Commonwealth Government Printer

25 November 2020

Commissioner Bielecki
Registered Organisations Commissioner
Registered Organisations Commission
GPO Box 2983
Melbourne VIC 3001

By email: regorgs@roc.gov.au

Dear Commissioner,

The National Retail Association Limited, Union of Employers – Financial Report for the Financial Year Ending 30 June 2020

The National Retail Association Limited, Union of Employers (**the reporting unit**) makes application pursuant to section 269 of the *Fair Work (Registered Organisations) Act 2009* (Cth) (**the Act**) to be taken to have satisfied Part 3 of Chapter 8 of the Act for the financial year ending 30 June 2020.

RELIEF SOUGHT

The reporting unit seeks the following relief:

- (1) that the Commissioner issue a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of the associated State body; and
- (2) that the reporting unit is taken to have satisfied section 269(2) of the Act.

GROUNDINGS AND REASONS

Section 269 of the Act applies to the reporting unit on the following bases:

- (1) The National Retail Association Limited, Union of Employers (**the associated state body**) is registered as an industrial organisation under a prescribed State Act in accordance with section 269(1)(a) of the Act, specifically:
 - (a) the associated state body is registered as an industrial organisation under the *Industrial Relations Act 2016* (Qld); and
 - (b) the *Industrial Relations Act 2016* (Qld) is the successor to the *Industrial Relations Act 1999* (Qld) under which the associated state body was also registered; and
 - (c) the *Industrial Relations Act 1999* (Qld) is a prescribed State Act for the purposes of section 269(1)(a) by virtue pursuant of regulation 163(1) of the *Fair Work (Registered Organisations) Regulations 2009* (Cth) (**the Regulations**).
- (2) The associated state body is composed wholly of the same members as the reporting unit.
- (3) The officers of the associated state body are wholly the same as the officers of the reporting unit.
- (4) The financial affairs of the reporting unit are encompassed by the financial affairs of the associated state body.

The reporting unit has satisfied section 269(2)(b) on the following bases:

- (1) the associated state body has, in accordance with the *Industrial Relations Act 2016* (Qld) prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the audited accounts with the Queensland Industrial Relations Commission;
 - (a) the audited accounts were lodged with the Queensland Industrial Relations Commission on 25 November 2020;
- (2) a copy of the audited accounts have been lodged with the Registered Organisations Commission;
 - (a) such copy of the audited accounts is lodged alongside this application;
- (3) all the members of the reporting unit who are not also members of the associated state body have, at substantially the same time, been provided a copy of the audited accounts of the associated state body;
 - (a) all members of the reporting unit were given notice of a general meeting, together with access to copies of the audited accounts, by direct email and public notice on the reporting unit's website on 29 October 2020, with said general meeting taking place on 20 November 2020;
- (4) an operating report under section 254 of the Act has been prepared and provided to members of the reporting unit with the copies of the audited accounts;
 - (a) in accordance with the *Industrial Relations Act 2016* (Qld), an operating report including items required by section 254 of the Act is included in the audited accounts lodged with the Queensland Industrial Relations Commission and alongside this application.

The reporting unit submits that based on the grounds and reasons stated herein and the supporting documentation, the branch satisfies section 269 of the Act and consequently seeks the relief as sought.

Yours sincerely,



Lindsay Carroll
Deputy Chief Executive Officer
National Retail Association Limited, Union of Employers



**National Retail Association Limited, Union of Employers
Financial Statements for the year ended
30 June 2020**

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

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**National Retail Association Limited, Union of Employers
Financial Statements for the year ended
30 June 2020**

DECLARATION BY DIRECTORS

The Directors of the National Retail Association Limited, Union of Employers, declare that:

(1) The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the *Corporations Act 2001* (Cth), and:

(a) comply with the Australian Accounting Standards and the *Corporations Regulations 2001* (Cth); and

(b) give a true and fair view of the group's financial position as at 30 June 2019/20 and of its performance for the year ended on that date.

(2) In the opinion of the Directors, there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors passed on 28 October 2020 and is signed for and on behalf of the Directors by:



Mark Brodie
Chairman



Ian Winterburn
Deputy Chairman

Dated at **Spring Hill** on **28 October 2020**

National Retail Association Limited, Union of Employers
Financial Statements for the year ended
30 June 2020

National Retail Association Limited, Union of Employers

COMMITTEE OF MANAGEMENT STATEMENT

for the year ended 30 June 2020

On 28th October 2020, the Board of the National Retail Association Limited, Union of Employers (NRA) passed the following resolution in relation to the General Purpose Financial Report for the financial year ended 30 June 2019:

The Board of the National Retail Association Limited, Union of Employers (NRA) 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
 - (i) the reporting guidelines made by the Registered Organisations Commissioner under section 255 of the *Fair Work (Registered Organisations) Act 2009* (Cth); and/or
 - (ii) the reporting guidelines made by the Industrial Registrar under section 765(1) of the *Industrial Relations Act 2016* (Qld); and/or
 - (iii) Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (Cth); and/or
 - (iv) Part 11 of Chapter 12 of the *Industrial Relations Act 2016* (Qld).
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the NRA for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the NRA will be able to pay its debts as and when they are due and payable;
- (e) during the financial year to which the General Purpose Financial Report relates and since the end of that year:
 - (i) meetings of the committee of management (**the Board**) were held in accordance with the rules of the organisation, there being no other branches to the organisation;
 - (ii) the financial affairs of the organisation have been managed in accordance with the rules of the organisation, there being no other branches to the organisation;

**National Retail Association Limited, Union of Employers
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National Retail Association Limited, Union of Employers

COMMITTEE OF MANAGEMENT STATEMENT

for the year ended 30 June 2020

- (i) the financial records of the organisation have been kept in accordance with the requirements of the *Industrial Relations Act 2016* (Qld) and the *Fair Work (Registered Organisations) Act 2009* (Cth);
- (ii) the organisation does not consist of two or more reporting units;
- (iii) where information has been sought in any request by a member of the organisation or the Commissioner or Registrar duly made under section 787 of the *Industrial Relations Act 2016* (Qld) or the section 272 of the *Fair Work (Registered Organisations) Act 2009* (Cth), that information has been provided to that member, Commissioner or Registrar; and
- (iv) where any order for inspection of financial records has been made by the Queensland Industrial Relations Commission under section 788 of the *Industrial Relations Act 2016* (Qld) or by the Fair Work Commission under section 273 of the *Fair Work (Registered Organisations) Act 2009* (Cth), there has been compliance;

This declaration is made in accordance with a resolution of the Board of Directors/Committee of Management passed on 28 October 2020 and signed for and on behalf of the Board of Directors/Committee of Management.

Signature of designated officer:



.....
Mark Brodie, **Chairman**

Dated at **Spring Hill** on **28 October 2020**

**National Retail Association Limited, Union of Employers
Financial Statements for the year ended
30 June 2020**

National Retail Association Limited, Union of Employers

REPORT REQUIRED UNDER SUBSECTION 255(2A) *Fair Work (Registered Organisations) Act 2009 (Cth)*
for the year ended 30 June 2020

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2020.

Categories of expenditures	2020 \$	2019 \$
Remuneration and other employment-related costs and expenses - employees	2,492,940	2,269,691
Advertising	110,424	132,467
Operating costs	1,073,592	1,374,016
Donations to political parties	21,500	17,488
Legal costs	13,787	249

Signature of designated officer:



.....
Mark Brodie, **Chairman**

Dated at **Spring Hill** on **28 October 2020**

**National Retail Association Limited, Union of Employers
Financial Statements for the year ended
30 June 2020**

National Retail Association Limited, Union of Employers

DIRECTORS' REPORT/OPERATING REPORT

for the year ended 30 June 2020

The Board of Directors/Committee of Management presents its Directors' Report/Operating Report on the National Retail Association Limited, Union of Employers (the Reporting Unit) for the year ended 30 June 2020.

Directors/Committee of Management

The directors in office/members of the committee of management at the date of this report are:

Mr Mark Vincent Brodie (Chairman)

Fellow of AICD

Mr Ian Roger Winterburn (Deputy Chairman)

Master of Business Economics (Hon)

Bachelor of Economics UQ

Diploma in Accounting (CESA)

Mr Geoff William Hogg

CPA

Director of Broadbeach Alliance Ltd

Governor of the American Chamber of Commerce (QLD)

Mrs Kristine Maree Skippington

Bachelor of Education

Diploma in Teaching

Cert IV Training and Assessment

Mr Timothy William Schaafsma

LLB

Solicitor (NSW)

Associate of the Chartered Institute of Secretaries

Mr Paul Dennis Greenberg

Bachelor of Arts (Psychology)

MBA

Registered Psychologist (Australia)

Member of the Australian Psychological Society

Member of the Australian Institute of Company Directors

**National Retail Association Limited, Union of Employers
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National Retail Association Limited, Union of Employers

DIRECTORS' REPORT/OPERATING REPORT

for the year ended 30 June 2020

Directors of wholly owned subsidiary under section 50AAA of the *Corporations Act 2001* (Cth) are:

Ms Dominique Elaine Lamb
Mr Ian Roger Winterburn
Mr Mark Vincent Brodie
Miss Lindsay Ann Carroll

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Meetings Attended

Director	Number Meetings Attended as Director	Number Meetings During Period of Directorship
Mr Mark Vincent Brodie	9	9
Mr Ian Roger Winterburn	9	9
Mr Geoff William Hogg	7	9
Mrs Kristine Maree Skippington	9	9
Mr Timothy William Schaafsma	9	9
Mr Paul Dennis Greenberg	9	9

National Retail Association Limited, Union of Employers
Financial Statements for the year ended
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National Retail Association Limited, Union of Employers

DIRECTORS' REPORT/OPERATING REPORT

for the year ended 30 June 2020

Principal Activity

The principal activity of the group for the year ended 30 June 2020 was that of an industrial association of employers.

Result

The operations of the group for the year ended 30 June 2020 resulted in a surplus of \$98,638 (2019 Surplus: \$262,226).

Review of Operations

The National Retail Association Limited, Union of Employers (the 'Association') conducts, on behalf of its members, a range of value adding services focusing on delivering expert and professional advice to retailers and other members of all shapes and sizes.

As an industry organisation, the Association is committed to ensuring the ongoing success of its members and maximizing opportunities for business growth and development. In every respect, the Association is focused on providing its members with the information, knowledge and skills necessary to operate more effectively in a dynamic and competitive environment.

State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year.

Events Subsequent to Balance Date

The COVID-19 pandemic has developed rapidly in 2020, with a significant number of cases. The Association has taken a number of measures to monitor and mitigate the effects of COVID-19, such as safety and health measures for their people (providing hand wash detergent and sanitisers in the office, social distancing, requesting staff to stay home when unwell and get tested for COVID-19 when presented with symptoms, quarantine while awaiting COVID-19 results and working from home).

COVID-19 has impacted training grants and events. Economic stimulus provided to jobseekers have reduced enrolment numbers for training. There were minimal government training grants available for tender. Physical events were either postponed or held digitally. Other services have new sources of revenue which assisted in balancing out the impact. The overall impact on the operating activities and results has not been significant and based on past experience this is expected to remain the case. There is no going concern issue.

However, the situation is rapidly developing and will be dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided in the future.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

National Retail Association Limited, Union of Employers
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National Retail Association Limited, Union of Employers

DIRECTORS' REPORT/OPERATING REPORT

for the year ended 30 June 2020

Directors' Benefits

On 14 June 2019, the board of the National Retail Association Limited, Union of Employers, entered into a lease of commercial office space, on commercial terms, with 67 St Pauls Terrace Pty Ltd ATF 67 St Pauls Terrace Property Sub Trust commencing 1 July 2019. At the time the lease was entered into, Mr Mark Brodie declared his interest in the premises as a director of the trustee, 67 St Pauls Terrace Pty Ltd and withdrew from all motions with respect to the lease arrangement.

On 2 March 2020, the lease ceased and the board of the National Retail Association Limited, Union of Employers, entered into a purchase agreement, on commercial terms, and purchased level 3, 67 St Pauls Terrace, Spring Hill from 67 St Pauls Terrace Pty Ltd ATF 67 St Pauls Terrace Property Sub Trust. At the time the purchase agreement was entered into, Mr Mark Brodie declared his interest in the premise as a director of the trustee, 67 St Pauls Terrace Pty Ltd and withdrew from all motions with respect to the purchase arrangement.

Other than the benefit noted above, no director of the group has received or become entitled to receive any benefit by reason of a contract made by the group or any related corporation with a director, or with a firm of which the director is a member, or with a group in which the director has a substantial interest.

Indemnification and Insurance of Directors and Officers

Insurance premiums

The group has paid insurance premiums in respect of directors' and officers' liability, for current and former directors and officers of the group.

Proceedings

No person has applied for leave of the Court to bring proceedings on behalf of the group or intervene in any proceedings to which the group is a party for the purpose of taking responsibility on behalf of the group for all or any part of those proceedings.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 19.

Liability of Members if group is wound-up

In the event of the group being wound-up, the liability of each member is limited to \$10.00. The total liability of all members as at the year ended 30 June 2020 is \$57,150.

Right of members to resign

All members have the right to resign from the National Retail Association, Union of Employers, under section 174 of the *Fair Work (Registered Organisations) Act 2009* (Cth) (**RO Act**) and section 726 of the *Industrial Relations Act 2016* (Qld) (**IR Act**) and Rule 14 of the rules of the organisation.

**National Retail Association Limited, Union of Employers
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National Retail Association Limited, Union of Employers

DIRECTORS' REPORT/OPERATING REPORT

for the year ended 30 June 2020

Right of members to resign (continued)

Members may resign their membership by the provision of written notice, stating that the member resigns from the organisation, addressed and delivered to the National Retail Association (Rule 14.1, section 174(1) RO Act, section 726(2) IR Act).

The address for such notices is:

National Retail Association
PO Box 48
Spring Hill QLD 4004

A resignation takes effect on the date specified in the notice or, if no date is specified, on the date the notice is received.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

To the best of the organisation's knowledge and understanding, no officer or member of the organisation is a trustee of a superannuation fund or director of a company that is a superannuation fund trustee where being an officer or member of a registered organisation is a criterion for holding such a position.

Number of members

5,715 members

Number of employees

27 employees

Names of committee of management members and period positions held during the financial year

Name of Officer	Period position held during the financial year
Mark Vincent Brodie	01/07/19 – 30/06/20
Ian Roger Winterburn	01/07/19 – 30/06/20
Geoff William Hogg	01/07/19 – 30/06/20
Kristine Maree Skippington	01/07/19 – 30/06/20
Timothy William Schaafsma	01/07/19 – 30/06/20
Paul Dennis Greenburg	01/07/19 – 30/06/20

**National Retail Association Limited, Union of Employers
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National Retail Association Limited, Union of Employers

DIRECTORS' REPORT/OPERATING REPORT

for the year ended 30 June 2020

Remuneration Register and Officer and Related Party Disclosure Statement

The officer and related party disclosure statement required under section 293J of the *Fair Work (Registered Organisations) Act* (Cth) is set out at page 13.

The officer and related party disclosure statement set out at page 12 includes the remuneration register required to be prepared under section 746 of the *Industrial Relations Act 2016* (Qld) and required to be disclosed under section 764(2)(e) of that Act.

Register of loans, grants and donations

In accordance with section 764(2)(f) of the *Industrial Relations Act 2016* (Qld), the register of loans, grants and donations required to be maintained pursuant to section 748 of that Act and the analogous statement required under section 237 of the *Fair Work (Registered Organisations) Act 2009* (Cth) is presented on page 15.

Prepared and signed by the designated officers in accordance with a resolution of the Board of Directors/Committee of Management passed on 28 October 2020.

Signature of designated officer:



.....
Mark Brodie, **Chairman**

Signature of designated officer:



.....
Ian Winterburn, **Deputy Chairman**

Dated at **Spring Hill** on **28 October 2020**

**National Retail Association Limited, Union of Employers
Financial Statements for the year ended
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OFFICER AND RELATED PARTY DISCLOSURE STATEMENT in accordance with Section 293J Fair Work (Registered Organisations) Act 2009

I, Mark Vincent Brodie, being the Chairman of the National Retail Association Limited, Union of Employers, declare the following Officer and Related Party Disclosure Statement.

Organisation Name	National Retail Association Limited, Union of Employers	Branch Name	N/A
Financial year start date	01/07/2019	Financial year end date	30/06/2020

Top Five Rankings of Officers – Relevant remuneration and non-cash benefits

When all officers in the National Retail Association Limited, Union of Employers, are ranked by relevant remuneration for the financial year, the following officers are ranked no lower than fifth:

Full Name	Office	Actual Amount of Relevant Remuneration	Value of Relevant non-cash benefits	Form of relevant non-cash benefits
1. Mark Vincent Brodie	Chairman	\$100,000	\$NIL	NIL
2. Ian Roger Winterburn	Deputy Chairman	\$30,000	\$NIL	NIL
3. Paul Dennis Greenberg	Director	\$22,000	\$NIL	NIL
4. Kristine Maree Skippington	Director	\$20,000	\$NIL	NIL
5. Timothy William Schaafsma	Director	\$20,000	\$NIL	NIL
6. Geoff William Hogg	Director	\$NIL	\$NIL	NIL

- None of the officers listed above received non-cash benefits from the branch/organisation.

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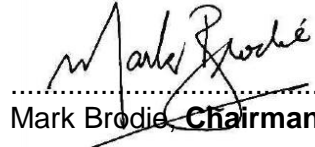
OFFICER AND RELATED PARTY DISCLOSURE STATEMENT in accordance with Section 293J Fair Work (Registered Organisations) Act 2009

Payments to related parties and declared persons or bodies

During the financial year, the National Retail Association Limited, Union of Employers made the following payments to related parties or declared persons or bodies. The details of these payments are included below. This list does not include payments that have been exempted from disclosure under section 293G.

Date	Name	Nature of relationship	Purpose of payment	Amount	Other relevant details
08/08/2019	Ian Winterburn Consulting	Deputy Chairman is owner/operator of the business	Consulting	\$990	Additional time spent on assisting with various activities – merger proposal, CRM proposal, and annual business plan.
26/11/2019	Ian Winterburn Consulting	Deputy Chairman is owner/operator of the business	Consulting	\$455	Fees for attending consumer consultative group meeting in Sydney on behalf of NRA on 26/11/2019.

Signature of designated officer:



 Mark Brodie, **Chairman**

Dated: **28 October 2020**

**National Retail Association Limited, Union of Employers
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REGISTER OF LOANS, GRANTS AND DONATIONS EXCEEDING \$1,000 MADE BY ORGANISATION

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan
N/A					

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant
N/A			

**National Retail Association Limited, Union of Employers
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REGISTER OF LOANS, GRANTS AND DONATIONS EXCEEDING \$1,000 MADE BY ORGANISATION

DONATIONS

Name of recipient of donations	Address	Amount	Purpose of grant
Liberal National Party of QLD	66-68 Bowen Street, Spring Hill QLD 4004	\$10,000	Support for Deb Frecklington – member for Nanango
Liberal National Party of QLD	66-68 Bowen Street, Spring Hill QLD 4004	\$5,000	Support for Adrian Schrunner – Lord Mayor of Brisbane
Liberal National Party of QLD	66-68 Bowen Street, Spring Hill QLD 4004	\$5,000	Support for Deb Frecklington – member for Nanango

**National Retail Association Limited, Union of Employers
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30 June 2020**

National Retail Association Limited, Union of Employers

OFFICER DECLARATION STATEMENT

I, Mark Vincent Brodie, being the Chairman of National Retail Association Limited, Union of Employers, declare that the following activities did not occur during the reporting period ending 30 June 2020.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions

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National Retail Association Limited, Union of Employers

OFFICER DECLARATION STATEMENT

- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- provide cash flows to another reporting unit and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signature of designated officer:



.....
Mark Brodie, **Chairman**

Dated at **Spring Hill** on **28 October 2020**

**National Retail Association Limited, Union of Employers
Financial Statements for the year ended
30 June 2020**

Auditor's Independence Declaration



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DECLARATION OF INDEPENDENCE BY P A GALLAGHER TO THE DIRECTORS OF NATIONAL RETAIL ASSOCIATION LIMITED

As lead auditor of National Retail Association Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of National Retail Association Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'P A Gallagher'.

P A Gallagher
Director

BDO Audit Pty Ltd

Brisbane, 28 October 2020

National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020

Statement of Comprehensive Income

	Note	Consolidated 2020 \$	Consolidated 2019 \$
Revenue from ordinary activities:			
Membership subscriptions		646,649	666,156
Events & partnerships revenue		267,059	243,634
Professional services revenue		870,965	714,995
Training services revenue		76,165	118,765
Policy services revenue		156,111	168,384
Other revenue from ordinary activities		25,485	80,842
Grants revenue		1,768,448	2,063,362
Revenue from recover of wages activity		-	-
Total	2	3,810,882	4,056,138
Expenses from ordinary activities:			
Capitation fees and other expense to another reporting unit		-	-
Membership expenses		29,057	21,427
Events & partnerships expenses		100,563	119,963
Professional services expenses		73,040	32,094
Training services expenses		23,434	55,789
Policy services expenses		16,573	8,206
Expenses related to grants		320,493	444,787
Finance charges on leases		3,246	-
Rental expenses		-	67,212
Travel allowances		23,031	18,897
Depreciation and amortisation		90,269	33,345
Employees expenses	3a	2,492,940	2,269,691
Donations to political parties	3b	21,500	17,488
Legal costs	3c	13,787	249
Administration and other expenses	3d	504,311	704,764
Expenses from ordinary activities		3,712,244	3,793,912

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

Statement of Comprehensive Income

	Note	Consolidated 2020 \$	Consolidated 2019 \$
Current year surplus/(deficit) before income		98,638	262,226
Income tax expense		-	-
Net current year surplus/(deficit)		98,638	262,226
Other comprehensive income for the year		-	-
Total comprehensive surplus/(deficit) for the year		98,638	262,226

The accompanying notes form part of these financial statements.

National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020

Statement of Financial Position

	Note	Consolidated 2020	Consolidated 2019
		\$	\$
Current assets			
Cash assets	4	1,592,842	3,203,205
Trade receivables	5	338,457	384,453
Other assets	6	73,401	117,645
Total current assets		<u>2,004,700</u>	<u>3,705,304</u>
Non-current assets			
Property, plant and equipment	7a	2,272,470	74,999
Intangibles	7b	52,095	37,602
Total non-current assets		<u>2,324,565</u>	<u>112,601</u>
Total assets		<u>4,329,265</u>	<u>3,817,904</u>
Current liabilities			
Trade and other payables	8	714,248	684,551
Provisions	9	158,007	80,477
Financial liabilities	10	21,554	-
Total current liabilities		<u>893,809</u>	<u>765,028</u>
Non-current liabilities			
Provisions	9	52,328	37,243
Financial liabilities	10	268,858	-
Total non-current liabilities		<u>321,186</u>	<u>37,243</u>
Total liabilities		<u>1,214,995</u>	<u>802,271</u>
Net assets		<u>3,114,270</u>	<u>3,015,632</u>
Equity			
Retained surplus		3,114,270	3,015,632
Total equity		<u>3,114,270</u>	<u>3,015,632</u>

The accompanying notes form part of these financial statements.

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

Statement of Changes in Equity

	Retained Surplus \$	Total Equity \$
Balance at 1 July 2018	2,753,407	2,753,407
Surplus for the year	262,226	262,226
Other comprehensive income for the year	-	-
Total comprehensive income for the year	262,226	262,226
Balance at 30 June 2019	3,015,632	3,015,632
Balance at 1 July 2019	3,015,632	3,015,632
Surplus for the year	98,638	98,638
Other comprehensive income for the year	-	-
Total comprehensive income for the year	98,638	98,638
Balance at 30 June 2020	3,114,270	3,114,270

The accompanying notes form part of these financial statements.

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

Statement of Cash Flows

	Note	Consolidated 2020 \$	Consolidated 2019 \$
Cash flows from operating activities			
Receipts from customers		3,978,255	4,140,550
Interest received		23,596	52,959
Payments to suppliers and employees		(3,597,148)	(3,875,311)
Interest and finance costs paid		(3,246)	-
Net cash provided by/(used in) operating activities	15(ii)	401,457	318,198
Cash flows from investing activities			
Payment for property, plant and equipment		(2,201,717)	(74,999)
Payment for intangibles		(39,650)	(38,375)
Proceeds from sale of investment		-	-
Net cash used in investing activities		(2,241,367)	(113,374)
Cash flows from financing activities			
Proceeds from borrowings		229,547	-
Repayment of borrowings		-	-
Net cash provided by financing activities		229,547	-
Net increase in cash held		(1,610,363)	204,824
Cash at the beginning of the financial year	15(i)	3,203,205	2,998,381
Cash at the end of the financial year	15(i)	1,592,842	3,203,205

The accompanying notes form part of these financial statements.

National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

1 Statement of Significant Accounting Policies

The financial statements are general purpose financial statements which 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 Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, National Retail Association Limited, Union of Employers, 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 of the financial position. The financial statements are presented in Australian dollars.

Financial statements of National Retail Association Limited, Union of Employers, for the year ended 30 June 2019 were authorised for issue in accordance with a resolution of the directors on 25 October 2019 and covers National Retail Association Limited, Union of Employers, as a consolidated entity consisting of National Retail Association Limited, Union of Employers, and its subsidiary as required by the Corporations Act 2001.

National Retail Association was registered as an organisation under subsection 26(1) of the *Fair Work (Registered Organisations) Act 2009* on 9 March 2018.

The significant accounting policies adopted in the preparation of the financial statements are set out below.

New or amended Accounting Standards and Interpretations adopted

The entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The following Accounting Standards and Interpretations are most relevant to the entity:

AASB 15 Revenue from Contracts with Customers (AASB 15) and AASB 1058 Income of Not-for-Profit Entities (AASB 1058) – Impact of adoption

AASB 15 Revenue from Contracts with Customers supersedes AASB 111 Construction Contracts, AASB 118 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers.

AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. AASB 15 also includes implementation guidance to assist not-for-profit entities to determine whether particular transactions, or components thereof, are contracts with customers. If a transaction is outside the scope of AASB 15, the recognition and measurement of income arising from the transaction may instead be specified by another Standard, AASB 1058 Income of Not-for-Profit Entities.

National Retail Association Limited, Union of Employers
Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

1 Statement of Significant Accounting Policies (continued)

The National Retail Association Ltd adopted AASB 15 and AASB 1058 using the modified retrospective method of adoption, with the date of initial application of 1 July 2019. In accordance with the transition approach, National Retail Association Ltd recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e., 1 July 2019. Consequently, the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income recognition. In addition, National Retail Association Ltd has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e., as at 1 July 2019.

The adoption of AASB 15 and AASB 1058 did not have a material impact on the National Retail Association Ltd financial statements.

AASB 16 Leases – Impact on adoption

AASB 16 Leases supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease, Interpretation 115 Operating Leases—Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

National Retail Association Ltd has adopted AASB 16 using the modified retrospective method of transition, with the date of initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. National Retail Association Ltd elected to use the transitional practical expedient to not reassess whether a contract is or contains a lease at 1 July 2019.

Instead, National Retail Association Ltd applied the standard only to contracts that were previously identified as leases applying AASB 117 and Interpretation 4 at the date of initial application.

National Retail Association Ltd has lease contracts for office equipment. Before the adoption of AASB 16, National Retail Association Ltd classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of AASB 16, National Retail Association Ltd applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by National Retail Association Ltd.

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

1 Statement of Significant Accounting Policies (continued)

Leases previously accounted for as operating leases

The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

National Retail Association Ltd also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above, as at 1 July 2019:

- Right-of-use assets of \$60,865 were recognised and presented separately in the statement of financial position.
- Lease liabilities of \$60,865 were recognised.

The lease liabilities as at 1 July 2019 can be reconciled to the operating lease commitments as of 30 June 2019, as follows:

Operating lease commitments disclosed as at 30 June 2019	1,075,516
Less: Lease contract terminations	(1,008,728)
Less: Operating lease discount	(5,922)
 Lease liability recognised as at 1 July 2019	 <u>60,865</u>

Impact of standards issued but not yet applied by the entity

AASB 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

1 Statement of Significant Accounting Policies (continued)

a) Revenue

Revenue from contracts with customers

The National Retail Association Ltd applies AASB 15 to recognise revenue when an agreement is enforceable and contains performance obligations to transfer goods or services that are sufficiently specific to determine when the obligation has been satisfied. For an arrangement that is not within the scope of AASB 15, and not otherwise within the scope of other standards, it would be treated as contribution income under AASB 1058 (for example a cash donation without conditions).

Revenue from contracts with customers is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service ; and recognises revenue as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Grants

Revenue from grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred in the statement of financial position as a 'contract liability' until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised immediately under AASB 1058 when the company obtains control of the cash.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a 'contract liability' until those conditions are satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the National Retail Association Ltd.

The National Retail Association Ltd recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the National Retail Association Ltd promise to stand ready to provide assistance and support to the member as required.

When the service transfers to the customer (member services), the National Retail Association Ltd recognises revenue at the amount of the transaction price that was allocated to that performance obligation. For member subscriptions paid annually in advance, the National Retail Association Ltd has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

Rendering of Services

Revenue is recognised when the service is provided.

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

1 Statement of Significant Accounting Policies (continued)

Interest

Interest revenue is recognised as interest accrued using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

All revenue is stated net of the amount of goods and services tax (GST).

b) Principles of consolidation

The consolidated financial statements comprise the financial statements of National Retail Association Limited and its subsidiary National Retail Association Legal Limited (Incorporated 20 June 2014) at 30 June 2020 (“the group”).

Subsidiaries are entities (including structured entities) over which the group has control. The group has control over an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. Subsidiaries are consolidated from the date on which control is transferred to the group and are deconsolidated from the date that control ceases.

All intergroup balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income and statement of financial position respectively. Total comprehensive income is attributable to owners of National Retail Association Limited and non-controlling interests even if this results in the non-controlling interests having a debit balance.

c) Financial assets

A contract asset is recognised when the National Retail Association Ltd right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the National Retail Association Ltd future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

**National Retail Association Limited, Union of Employers
Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

1 Statement of Significant Accounting Policies (continued)

Expected credit losses

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date.

d) Income tax

The group is exempt from income tax as a registered union of employers under the Income Tax Assessment Act 1936 as amended.

e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

Depreciation is calculated on a straight line and diminishing value basis so as to write off the net cost or revalued amount of each item of property, plant and equipment over its expected useful life to the group. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. Rates charged were as follows:

	Straight Line
Buildings & Refurbishments	1½ % - 2½ %
Furniture & Fitting	7½ % - 10 %
Plant & Equipment	10 % - 33 %
Computer Equipment	33%
Computer Software	20%

f) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

1 Statement of Significant Accounting Policies (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

g) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

h) 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.

i) Comparative Figures

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

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

	Consolidated 2020 \$	Consolidated 2019 \$
2 Revenue		
<i>Operating activities</i>		
Subscriptions	646,649	666,156
<i>Other Revenue</i>		
Events & Partnerships Revenue	267,059	243,634
Professional Services	870,965	714,995
Training Services	76,165	118,765
Policy Services	156,111	168,384
Grants Revenue	1,768,448	2,063,362
Other revenue		
Interest - deposits	23,596	52,959
Other	1,888	27,883
Total	3,810,882	4,056,138
3 Expenses		
3a Employee expenses		
Holders of office:		
- Wages and salaries	189,397	189,397
- Superannuation	2,603	2,603
Subtotal employee expenses holders of office	192,000	192,000
Employees other than office holders:		
- Wages and salaries	1,965,281	1,867,914
- Superannuation	191,562	175,123
- Payroll tax	43,030	67,306
- Leave and other entitlements	101,067	(32,652)
Subtotal employee expenses employees other than office holder	2,300,940	2,077,691
Total	2,492,940	2,269,691

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

	Consolidated 2020 \$	Consolidated 2019 \$
3b Donations to political parties		
Total expensed that were \$1,000 or less	1,500	1,988
Total expensed that exceeded \$1,000	20,000	15,500
Total	21,500	17,488
3c Legal costs		
Litigation	-	-
Other legal costs	13,787	249
Total	13,787	249
3d Administration expenses		
Marketing expenses	11,368	17,611
Office/building expenses	30,727	28,835
Accounting and audit fees	22,915	42,287
Conference and meeting expenses	26,433	20,566
Consultancy	1,445	909
Donations (other)	2,004	200
Insurance	43,859	33,562
Promotions	99,056	114,856
Rent	3,534	152,433
Staff expenses	31,932	31,246
Technology expenses	61,520	60,213
Doubtful debts	(2,644)	14,941
Bad debts written off	7,750	16,123
Federal registration of NRA	-	10
Other	164,412	170,972
Total	504,311	704,764
4 Cash and cash equivalents		
Bank accounts	1,565,407	1,072,989
Term deposits	25,000	2,128,950
Petty cash	2,435	1,266
Total	1,592,842	3,203,205

National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

	Consolidated 2020 \$	Consolidated 2019 \$
5 Trade and other receivables		
Trade receivables:		
Debtors	308,179	382,023
Less: Provision for doubtful debts	(8,478)	(50,828)
Contract assets	38,755	53,258
Total	338,457	384,453
6 Other current assets		
Prepayments	73,101	96,812
Deposits	299	20,833
Total	73,401	117,645
7 (a) Property, Plant and Equipment		
Plant and equipment	491,330	36,881
Less: Accumulated Depreciation	(18,871)	(36,881)
	472,459	-
Land and buildings	1,680,221	-
Less: Accumulated Depreciation	(9,648)	-
	1,670,573	-
Computer hardware	105,165	74,999
Less: Accumulated Depreciation	(15,019)	-
	90,146	74,999
Right of use assets	60,865	-
Less: Accumulated Depreciation	(21,574)	-
	39,291	-
Total	2,272,470	74,999

**National Retail Association Limited, Union of Employers
Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

7 (b) Intangibles

Website Development	34,800	34,800
Less: Accumulated Amortisation	(19,333)	(7,733)
	15,467	27,067
CRM upgrade	50,185	10,535
Less: Accumulated Amortisation	(13,557)	-
	36,628	10,535
Total	52,095	37,602

7 (c) Movements in carrying amounts

Reconciliations of the carrying amounts of each class of property, plant and equipment between the beginning and end of the current financial year are set out as follows:

	Plant and equipment	Land and buildings	Computer hardware	Right of use assets	Total
Balance at 30 June 2019	-	-	74,999	-	74,999
Additions	491,330	1,680,221	30,166	60,865	2,262,582
Depreciation Expense	(18,871)	(9,648)	(15,018)	(21,574)	(65,111)
Carrying amount at 30 June 2020	472,459	1,670,573	90,147	39,291	2,272,470

	Plant and equipment	Land and buildings	Computer hardware	Right of use assets	Total
Balance at 30 June 2018	36,881	-	-	-	36,881
Additions	-	-	74,999	-	74,999
Depreciation Expense	(36,881)	-	-	-	(36,881)
Carrying amount at 30 June 2019	-	-	74,999	-	74,999

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

	Consolidated 2020 \$	Consolidated 2019 \$
8 Trade and other payables		
<i>Current</i>		
Trade Creditors	86,941	70,552
Revenue in Advance	546,486	488,106
GST Payable	72,540	76,556
Other Payables	8,281	49,337
	714,248	684,551
Payables to other reporting unit	-	-
Total	714,248	684,551
9 Provisions		
<i>Current</i>		
Provision for employee benefits	158,007	80,477
Employee Dismissal Provision	-	-
	158,007	80,477
<i>Non-Current</i>		
Provision for employee benefits	52,328	37,243
	52,328	37,243
Aggregate employee benefit	210,335	117,720
Number of employees at year end	27	29
10 Financial liabilities		
<i>Current</i>		
Lease liabilities	21,554	-
	21,554	-
<i>Non-Current</i>		
Lease liabilities	18,858	-
Loan from QRIDA	250,000	-
	268,858	-
Total	290,412	-

National Retail Association Limited, Union of Employers
Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

10 Financial liabilities (continued)

A loan received from Queensland Rural and Industry Development Authority with a carrying amount of \$250,000 has a 10 year term and is repayable in monthly instalments with repayment period beginning 13 months from the Commencement date until it matures in 2030. The loan is interest free for the first 12 months from the commencement date after which interest rate of 2.5% will be charged on an annual basis for the remainder of the term.

10 Members' liability

The liability of members (2020: 5,715 members, 2019: 5,936 members) of the group is limited to a guarantee of \$10.00 per member.

11 Remuneration of auditor

During the year, the following fees were paid or payable for services provided by the auditor of the entity:

	Consolidated 2020 \$	Consolidated 2019 \$
Audit	18,000	18,000
Total	18,000	18,000

12 Key Management Personnel Compensation

The directors of the group received or are due to receive remuneration from the group for attendance at meetings. The amounts paid to the Key Management Personnel as listed in note 14 were:

	Consolidated 2020 \$	Consolidated 2019 \$
Short-term benefits		
- Salary	1,191,241	1,011,568
- Annual leave accrued	68,227	38,558
Total short-term benefits	<u>1,259,468</u>	<u>1,050,126</u>
Post-employment benefits		
- Superannuation	97,497	79,206
Total post-employment benefits	<u>97,497</u>	<u>79,206</u>
Other long-term benefits		
- Long service leave accrued	44,929	16,079
Total other long-term benefits	<u>44,929</u>	<u>16,079</u>
Loan	-	-
Termination benefits	-	-
Total	<u>1,401,894</u>	<u>1,145,411</u>

**National Retail Association Limited, Union of Employers
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

13 Segment information

The only operation of the group is that of a registered union of employers engaged in the retail industry. The group operates predominantly in Queensland, Australia.

14 Related party disclosures

Any transactions between directors and their director related entities and the group are on normal commercial terms and conditions.

The names of each person holding the position of director of the group during the financial year are:

Directors

Mark Brodie (Chairman)
Ian Winterburn (Deputy Chairman)
Geoff Hogg
Kristine Skippington
Timothy Schaafsma
Paul Greenburg

Directors of wholly owned subsidiary under section 50AAA of the *Corporations Act 2001* are:

Dominique Lamb
Ian Winterburn
Mark Brodie
Lindsay Ann Carroll

Chief Executive Director

Dominique Lamb

Key Management

Dominique Lamb	Secretary and CEO
Lindsay Carroll	Deputy CEO and Legal Practice Director
Alice Yeh	Financial Controller
David Stout	Director of Policy & Advocacy
Adam Dalgleish	National Relationship Manager
Rebecca Goulter	Director of Events and Marketing
Virginia Morris	Acting Director of Training and Industry Projects (commenced August 2020)
Yvonne Williams	Director of Training and Industry Projects (resigned April 2020)
Wayne Nosenzo	Director of Training and Industry Projects (commenced May 2020 and terminated August 2020)

**National Retail Association Limited, Union of Employers
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

15 Notes to the statement of cash flows

(i) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:

	Note	Consolidated 2020 \$	Consolidated 2019 \$
Cash assets	4	1,592,843	3,203,205
		1,592,843	3,203,205

(ii) Reconciliation of cashflow operations with profit from ordinary activities after income tax

	Consolidated 2020 \$	Consolidated 2019 \$
Profit/(loss) from ordinary activities after income tax	98,637	262,226
Non cash flows from ordinary activities		
Depreciation & Amortisation	90,269	33,345
Provision for impairment	-	-
Loss on sale of investment	-	-
Provision for doubtful debt	(42,351)	(38,152)
Net cash provided by operating activities before change in assets and liabilities	146,555	257,420
Changes in Assets and Liabilities		
Increase in receivables	132,590	272,778
Increase/(decrease) in payables	29,697	(179,350)
Increase/(decrease) in provisions	92,615	(32,650)
Cash flow from Operations	401,458	318,198

**National Retail Association Limited, Union of Employers
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

16 Financial Instruments

(a) Interest Rate Risk

The group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on those financial assets and financial liabilities, is as follows:

	Floating Interest Rate		Non-Interest Bearing		Fixed Interest Rate	
	2020 \$	2019 \$	2020 \$	2019 \$	2020 \$	2019 \$
Financial Assets						
Cash	1,590,407	3,201,939	2,436	1,266	-	-
Trade Receivables	-	-	308,179	382,023	-	-
Financial Liabilities						
Trade Payables	-	-	86,941	70,552	-	-
Loan from QRIDA	-	-	-	-	250,000	-

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provision for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group.

(c) Net Fair Values

Assets and Liabilities net fair value approximates their carrying value. No financial assets or liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to and forming part of the accounts.

**National Retail Association Limited, Union of Employers
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

17 Name of Company

The National Retail Association Limited, Union of Employers, is a company limited by guarantee. The company was registered as Retailers Association of Queensland, Union of Employers until 8 July 2004. A decision by the Queensland Industrial Relations Commission effective 9 July 2004 allowed the amendment of the registered name to National Retail Association Limited, Union of Employers.

18 Information to be provided to Members

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:

272 Information to be provided to members or Commissioner

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

In accordance with the requirements of the *Industrial Relations Act 2016* (Qld), the attention of members is drawn to the provisions of subsections (1) to (3) of section 787 of that Act, which reads as follows:

787 Information to be provided to members or registrar

- (1) A member of a reporting unit, of the registrar, may apply to the reporting unit, for stated information, prescribed by regulation, about the reporting unit to be made available to the person making the application.
- (2) The application must:
 - (a) be in writing; and
 - (b) state the period, which must be at least 14 days after the application is made, within which the information must be made available; and
 - (c) state the way in which the information must be made available.
- (3) The reporting unit's organisation must ensure the reporting unit complies with the application.

Maximum penalty – 100 penalty units

**National Retail Association Limited, Union of Employers
Financial Statements
for the year ended 30 June 2020**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

19 Group Details

The Registered Office of the group is:

Level 3, 67 St Pauls Terrace, Spring Hill QLD 4000

INDEPENDENT AUDITOR'S REPORT

To the members of National Retail Association Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of National Retail Association Limited (the Reporting Unit) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, the director's report/operating report, the subsection 255 (2A) report, the directors' declaration and the Committee of Management statement.

In our opinion the accompanying financial report of National Retail Association Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and 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), or Part 11 of Chapter 12 of the Queensland Industrial Relations Act 2016.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's Report/Operating Report, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



P A Gallagher
Director

Brisbane, 28 October 2020