

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

**Re-issued Annual Financial Report**

**30 June 2015**

**Shop, Distributive and Allied Employees' Association,**

**Western Australian Branch**

**30 June 2015**

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# Shop, Distributive and Allied Employees' Association,

## Western Australian Branch

### Committee of management statement

30 June 2015

We, Peter O'Keeffe and Ben Harris, being two members of the Committee of Management of the Shop, Distributive and Allied Employees' Association, Western Australian Branch ("the Entity"), do declare on behalf of the Committee and in accordance with a resolution passed by the Committee on 24 February 2016, that in the opinion of the Committee:

1. The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB). The financial report of the Entity complies with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB);
2. The financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Commission;
3. The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Entity for the financial year to which they relate;
4. There are reasonable grounds to believe that the Entity will be able to pay its debts as and when they become due and payable; and
5. During the year ended 30 June 2015 and since the end of that year:
  - (i) Meetings of the Committee of Management were held in accordance with the rules of the Shop, Distributive and Allied Employees' Association including the rules of the Entity;
  - (ii) The financial affairs of the Entity have been managed in accordance with the rules of the Shop, Distributive and Allied Employees' Association including the rules of the Entity;
  - (iii) The financial records of the Entity have been kept and maintained in accordance with the Fair Work (Registered Organisations) Regulations 2009 and the Fair Work (Registered Organisations) Act 2009;
  - (iv) 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 manner consistent with each of the other reporting units of the organisation;
  - (v) The information sought in any request of a member of the Entity or The General Manager of Fair Work Commission duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or the General Manager of Fair Work Commission;
  - (vi) There has been no recovery of wages activity undertaken during the period per section 255 of the Fair Work (Registered Organisations) Act 2009; and
  - (vii) There has been compliance with any order for inspection of financial records made by Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.

Dated 24 February 2016



Peter O'Keeffe  
Branch Secretary  
Perth, WA



Ben Harris  
Assistant Branch Secretary

**Shop, Distributive and Allied Employees' Association,  
Western Australian Branch  
Statement of financial position  
As at 30 June 2015**

	Note	2015* \$	2014 \$
<b>Assets</b>			
Cash and cash equivalents	7	286,734	360,715
Trade and other receivables	8	53,424	5,165
<b>Total current assets</b>		<u>340,158</u>	<u>365,880</u>
<b>Total assets</b>		<u>340,158</u>	<u>365,880</u>
<b>Liabilities</b>			
Trade payables	9A	51,348	-
Other payables	9B	10,384	86,165
Employee benefits	10	68	1,392
<b>Total current liabilities</b>		<u>61,800</u>	<u>87,557</u>
<b>Total liabilities</b>		<u>61,800</u>	<u>87,557</u>
<b>Net assets</b>		<u>278,358</u>	<u>278,323</u>
Accumulated funds		<u>278,358</u>	<u>278,323</u>
<b>Total accumulated funds</b>		<u>278,358</u>	<u>278,323</u>

\* Re-issued – refer to note 2 (a)

**Shop, Distributive and Allied Employees' Association,  
Western Australian Branch  
Statement of profit or loss and other comprehensive income  
For the year ended 30 June 2015**

	Note	2015* \$	2014 \$
<b>Revenue</b>			
Capitation fees	11A	-	-
Levies	11B/13	46,673	48,416
<b>Total revenue</b>		<u>46,673</u>	<u>48,416</u>
<b>Other Income</b>			
Grants and/or donations	11C/13	1,120,916	1,177,496
Financial support received from another reporting unit	11D	-	-
<b>Total other income</b>		<u>1,120,916</u>	<u>1,177,496</u>
<b>Total income</b>		<u>1,167,589</u>	<u>1,225,912</u>
<b>Expenditure</b>			
Personnel expenses	12A	(432,038)	(487,323)
Capitation fees	12B	-	-
Affiliation dues	12C	(597,871)	(526,613)
Administration expenses	12D	(46,673)	(48,416)
Grants or donations paid	12E	-	-
Legal costs	12F	-	-
Other expenses	12G	-	-
International Fund	13	(89,681)	(78,992)
Audit fees - KPMG	15	(1,255)	(1,230)
Bank charges		(163)	(60)
<b>Total Expenditure</b>		<u>(1,167,681)</u>	<u>(1,142,634)</u>
Interest income		127	145
<b>Net finance income</b>		<u>127</u>	<u>145</u>
<b>Profit for the year</b>		<u>35</u>	<u>83,423</u>
<b>Total comprehensive income for the year</b>		<u>35</u>	<u>83,423</u>

\* Re-issued – refer to note 2 (a)

**Shop, Distributive and Allied Employees' Association,  
Western Australian Branch  
Statement of changes in equity  
For the year ended 30 June 2015**

**2015**

	<b>Accumulated Funds \$</b>
Balance at 1 July 2014	278,323
Income for the year	<u>35</u>
Total comprehensive income for the year	<u>35</u>
Balance at 30 June 2015	<u>278,358</u>

**2014**

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

**Shop, Distributive and Allied Employees' Association,  
Western Australian Branch  
Statement of cash flows  
For the year ended 30 June 2015**

	Note	2015* \$	2014 \$
<b>Cash flows from operating activities</b>			
Cash receipts from other reporting units/controlled entity		-	-
Cash receipts from customers		1,121,173	1,415,415
Cash payments to other reporting units/controlled entity		-	-
Cash paid to suppliers and employees		(1,195,281)	(1,290,550)
Cash (used in)/generated from operations		(74,108)	124,865
Interest received		127	145
<b>Net cash (outflow)/inflow from operating activities</b>	7	<u>(73,981)</u>	125,010
Net (decrease)/increase in cash and cash equivalents		(73,981)	125,010
Cash and cash equivalents at 1 July		360,715	235,705
<b>Cash and cash equivalents at 30 June</b>	7	<u>286,734</u>	<u>360,715</u>

\* Re-issued – refer to note 2 (a)

# Shop, Distributive and Allied Employees' Association,

## Western Australian Branch

### Notes to the financial statements

#### 1 Reporting entity

The Shop, Distributive and Allied Employees' Association, Western Australian Branch (the "Entity") is a not for profit Entity domiciled in Australia. The address of the Entity's registered office is 5th Floor, 25 Barrack Street, Perth WA 6000. The Entity primarily is involved in the trade union business in Western Australia.

#### 2. Basis of Preparation

##### (a) Statement of compliance

The financial 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 to the reporting period and the *Fair Work (Registered Organisations) Act 2009*. The financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

This financial report has been prepared for distribution to members of the Entity to satisfy the Committee of Management's reporting responsibilities imposed by the *Fair Work (Registered Organisations) Act 2009*.

The financial statements were approved by the Members of the Committee of Management on 24 February 2016. The financial statements have been re-issued and supersedes the financial statements dated 2 September 2015. The Committee of Management has re-issued the financial statements to incorporate certain additional disclosures to comply with the *Fair Work (Registered Organisations) Act 2009*.

##### (b) Basis of measurement

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

##### (c) Functional and presentation currency

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

##### (d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no significant judgement and estimates used in the preparation of these financial statements.



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

## Notes to the financial statements

### 3. Significant accounting policies

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

#### (a) Financial instruments

##### (i) *Non-derivative financial instruments*

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

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

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

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

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

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

#### (b) Impairment

##### (i) *Financial assets*

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

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

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

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

**Notes to the financial statements**

**3. Significant accounting policies (cont.)**

**(b) Impairment (cont.)**

*(i) Financial assets (cont.)*

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

**(c) Revenue**

*(i) Donations*

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

Donations are recognised when the Branch obtains control of the contribution or the right to receive the contribution.

*(ii) Capitation fees and levies*

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

**(d) Finance income and expenses**

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

**(e) Goods and services tax**

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

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

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

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

## Notes to the financial statements

### 3. Significant accounting policies (cont.)

#### (f) Income tax

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

#### (g) Fair values

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

#### (h) Going concern

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

The Entity made a profit of \$35 for the year ended 30 June 2015 (30 June 2014: \$83,423), had an operating cash outflow of \$73,981 (30 June 2014: inflow of \$125,010) and a net current asset position of \$278,358 (30 June 2014: \$278,323).

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 Entity to meet its operating costs, if this income was discontinued, the Entity 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 any organisation to continue on a going concern basis. The Shop, Distributive and Allied Employees' Association, Western Australian Branch has not agreed to provide any organisation with financial support to ensure they can continue on a going concern basis.

#### (i) Employee benefits

##### *Defined contribution plans*

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

##### *Long-term employee benefits*

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

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

## Notes to the financial statements

### 3. Significant accounting policies (cont.)

#### (i) Employee benefits (cont.)

##### *Short-term employee benefits*

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

#### (j) New Standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2015, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Branch, except for AASB 9 Financial Instruments, which becomes mandatory for the Branch's 2019 financial statements and AASB 15 Revenue from Contracts with Customers, which becomes mandatory for the Branch's 2018 financial statements. The Branch does not plan to adopt these standards early and the extent of the impact has not been determined.

The Branch has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2014.

- Amendments to AASB 1031 Materiality
- Annual improvements 2010-2012 and 2011-2013
- Offsetting Financial Assets and Financial Liabilities (Amendments to AASB 132)
- Recoverable Amounts Disclosures for Non-Financial Assets (Amendments to AASB 136)

The nature and effects of the changes required by these standards has no material impact on the financial statements of the Branch.

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

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

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

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

## **Notes to the financial statements**

### **5 Right of member to resign**

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

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

### **6 Financial instruments & financial risk management**

#### **(a) Overview**

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

- credit risk
- liquidity risk
- market risk

This note presents information about the Entity's exposure to each of the above risks, the Entity's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

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

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

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

#### **(b) Credit risk**

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

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

**Notes to the financial statements**

**6 Financial instruments & financial risk management (cont.)**

**(b) Credit risk (cont.)**

*Trade and Other Receivables*

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

*Cash and cash equivalents*

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

*Exposure to credit risk*

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

	<b>Carrying amount</b>	
	<b>2015</b>	<b>2014</b>
	\$	\$
Trade receivables	53,424	5,165
Cash and cash equivalents	286,734	360,715
	<b>340,158</b>	<b>365,880</b>

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

	<b>Carrying amount</b>	
	<b>2015</b>	<b>2014</b>
	\$	\$
Australia	53,424	5,165

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

	<b>Carrying amount</b>	
	<b>2015</b>	<b>2014</b>
	\$	\$
Other	53,424	5,165
Total	<b>53,424</b>	<b>5,165</b>

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

**Notes to the financial statements**

**6 Financial instruments & financial risk management (cont.)**

**(b) Credit risk (cont)**

*Impairment losses*

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

	<b>Gross 2015</b>	<b>Impairment 2015</b>	<b>Gross 2014</b>	<b>Impairment 2014</b>
	\$	\$	\$	\$
Not past due	53,424	-	5,165	-
Past due 0-60 days	-	-	-	-
Past due 60-120 days	-	-	-	-
	<b>53,424</b>	<b>-</b>	<b>5,165</b>	<b>-</b>

**(c) Liquidity risk**

Liquidity risk is the risk that the Entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Entity's reputation.

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

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

<b>30 June 2015</b>	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>12mths or less</b>	<b>1-2 yrs</b>	<b>2-5 yrs</b>	<b>More than 5 yrs</b>
	\$	\$	\$	\$	\$	\$
<b>Non-derivative financial liabilities</b>						
Trade and other payables	61,732	61,732	61,732	-	-	-
	<b>61,732</b>	<b>61,732</b>	<b>61,732</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

**Notes to the financial statements**

**6 Financial instruments & financial risk management (cont.)**

**(c) Liquidity risk (cont.)**

<b>30 June 2014</b>	<b>Carrying amount</b>	<b>Contractual cash flows</b>	<b>12mths or less</b>	<b>1-2 yrs</b>	<b>2-5 yrs</b>	<b>More than 5 yrs</b>
	\$	\$	\$	\$	\$	\$
<b>Non-derivative financial liabilities</b>						
Trade and other payables	86,165	86,165	86,165	-	-	-
	<u>86,165</u>	<u>86,165</u>	<u>86,165</u>	<u>-</u>	<u>-</u>	<u>-</u>

**(d) Market risk**

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

*Interest rate risk*

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

*Profile*

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

	<b>Carrying amount</b>	
	<b>2015</b>	<b>2014</b>
	\$	\$
<b>Variable rate instruments</b>		
Financial assets	<u>286,734</u>	<u>360,715</u>

An increase/(decrease) in interest rates of 100 basis points would have the effect of decreasing/(increasing) reported deficit by \$2,867/(\$2,867) (2014: decreasing/(increasing) reported deficit by \$3,607/(\$3,607)).



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

**Notes to the financial statements**

**7 Cash and cash equivalents**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	<u>286,734</u>	360,715
Cash and cash equivalents in the statement of cash flows	<u><u>286,734</u></u>	<u>360,715</u>

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

**Reconciliation of cash flows from operating activities**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Profit for the year	<u>35</u>	83,423
<b>Operating profit before changes in working capital</b>	<b>35</b>	83,423
Change in trade and other receivables	<b>(48,259)</b>	189,262
Change in trade and other payables	<b>(24,433)</b>	70,329
Change in employee benefits	<b>(1,324)</b>	(218,004)
<b>Net cash (used in)/from operating activities</b>	<u><u>(73,981)</u></u>	<u>125,010</u>

	<b>2015*</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flow information</b>		
Cash inflows		
Cash inflows from/(used in) reporting unit/controlled entity	<u>-</u>	-
<b>Total cash inflows</b>	<u><u>-</u></u>	-
Cash outflows		
Cash outflows from/(used in) reporting unit/controlled entity	<u>-</u>	-
<b>Total cash outflows</b>	<u><u>-</u></u>	-

\* Re-issued – refer to note 2 (a)

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

**Notes to the financial statements**

**8 Trade and other receivables**

	2015*	2014
	\$	\$
<b>Receivables from other reporting units</b>		
Receivables from other reporting units	-	-
Less provision for doubtful debts	-	-
	<u>-</u>	<u>-</u>
<b>Other receivables</b>		
Trade receivables	51,340	4,924
Other receivables	2,084	241
	<u>53,424</u>	<u>5,165</u>
	<u>53,424</u>	<u>5,165</u>

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

**9 Trade and other payables**

**9A Trade Payables**

	2015*	2014
	\$	\$
Trade payables	51,348	-
	<u>51,348</u>	<u>-</u>
<b>Payables from other reporting units</b>		
Payables from other reporting units	-	-
	<u>-</u>	<u>-</u>
	<u>51,348</u>	<u>-</u>

**9B Other Payables**

	2015*	2014
	\$	\$
Consideration to employers for payroll deductions	-	-
Legal and related costs	-	-
Other payables	10,384	86,165
	<u>10,384</u>	<u>86,165</u>

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

\* Re-issued – refer to note 2 (a)

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

**Notes to the financial statements**

**10 Employee benefits**

	2015*	2014
	\$	\$
<i>Office Holders (Key management personnel)</i>		
Annual leave	-	69
Long service leave	-	1,323
Separations and redundancies	-	-
Other	-	-
	<hr/>	<hr/>
	-	1,392
<i>Employees other than holders of office</i>		
Annual leave	-	-
Long service leave	68	-
Separations and redundancies	-	-
Other	-	-
	<hr/>	<hr/>
	68	-
	<hr/>	<hr/>
	68	1,392
	<hr/>	<hr/>
Current	68	1,392
Non-current	-	-
	<hr/>	<hr/>
	68	1,392
	<hr/>	<hr/>

\* Re-issued – refer to note 2 (a)

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

**Notes to the financial statements**

**11 Revenue and other income**

**11A Capitation fees**

	<b>2015*</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Capitation fees received	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**11B Levies**

	<b>2015*</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
ACTU IR Campaign	23,745	22,113
ALP 2014 Election Donation	-	25,642
100% Pay Week of Action	7,709	-
Subscriptions and printing	12,927	661
ACTU Congress Accommodation	2,292	-
	<u>46,673</u>	<u>48,416</u>
	<u>46,673</u>	<u>48,416</u>

**11C Grants and/or donations**

	<b>2015*</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Grants received	-	-
Donations received	1,120,916	1,177,946
	<u>1,120,916</u>	<u>1,177,946</u>
	<u>1,120,916</u>	<u>1,177,946</u>

**11D Financial support received from another reporting unit**

	<b>2015*</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Financial support received from another reporting unit	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

\* Re-issued – refer to note 2 (a)

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

**Notes to the financial statements**

**12 Expenses**

**12A Personnel expenses**

	2015*	2014
	\$	\$
<i>Holders of office (Key management personnel)</i>		
Wages and salaries	108,528	155,831
Superannuation	15,030	48,973
Leave and other entitlements	13,307	14,194
Separations and redundancies	-	-
Other employee expenses	-	-
	<u>136,865</u>	<u>218,998</u>
<i>Employees other than holders of office</i>		
Wages and salaries	269,502	245,606
Superannuation	25,603	22,719
Leave and other entitlements	68	-
Separations and redundancies	-	-
Other employee expenses	-	-
	<u>295,173</u>	<u>268,325</u>
	<u>432,038</u>	<u>487,323</u>

**12B Capitation fees**

	2015*	2014
	\$	\$
Capitation fees	-	-
	<u>-</u>	<u>-</u>

**12C Affiliation fees**

	2015*	2014
	\$	\$
Shop, Distributive and Allied Employees Association Affiliation dues	597,871	526,613
	<u>597,871</u>	<u>526,613</u>

\* Re-issued – refer to note 2 (a)

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

**Notes to the financial statements**

**12D Administration expenses**

	<b>2015*</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Consideration to employers for payroll deductions	-	-
Compulsory levies		
ACTU IR Campaign	<b>23,745</b>	22,113
ALP 2014 Election Donation	-	25,642
100% Pay Week of Action	<b>7,709</b>	-
Subscriptions and printing	<b>12,927</b>	661
ACTU Congress Accommodation	<b>2,292</b>	-
Fees/allowances – meeting and conferences	-	-
Conference and meeting expenses	-	-
	<b>46,673</b>	<b>48,416</b>

**12E Grants or donations**

	<b>2015*</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Grants paid		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations paid		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
	-	-

**12F Legal costs**

	<b>2015*</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Litigation	-	-
Other legal matters	-	-
	-	-

\* Re-issued – refer to note 2 (a)

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

**Notes to the financial statements**

**12G Other expenses**

	2015*	2014
	\$	\$
Penalties – via RO Act or RO Regulations	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**13 Related party transactions**

All donations and levies are received from the SDAWA. During the year, donations from SDAWA amounted to \$1,167,589 (2014: \$1,225,912). As at 30 June 2015, the amount of \$51,340 (2014: \$4,924) was owed by the SDAWA. This amount is included in trade receivables in note 8.

Affiliation dues, international fund contributions and branch levies are paid to the national office of the Shop, Distributive and Allied Employees Association at rates determined by the national office. During the year, expenses incurred from the national office amounted to \$734,225 (2014: \$654,021) as follows:

	2015	2014
	\$	\$
ACTU IR Campaign	23,745	22,113
ALP 2014 Election Donation	-	25,642
100% Pay Week of Action	7,709	-
Subscriptions and printing	12,927	661
ACTU Congress Accommodation	2,292	-
Affiliation fees/International fund	687,552	605,605
	<u>734,225</u>	<u>654,021</u>

As at 30 June 2015, the amount owed to the national office amounted to \$nil (2014: \$nil).

**14 Subsequent events**

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

\* Re-issued – refer to note 2 (a)

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

**Notes to the financial statements**

**15 Auditors remuneration**

	2015	2014
	\$	\$
<b>Audit Services</b>		
Auditors of the Entity		
<i>KPMG Australia:</i>		
Audit of Financial Reports	1,140	1,120
Accounting Assistance	115	110
	1,255	1,230
	1,255	1,230

**16 Remuneration of Committee of Management (Key management personnel)**

The following persons held office through the entire period 1 July 2014 to 30 June 2015 unless otherwise indicated:

Branch President	Joseph Bullock
Branch Vice President	Tony Hoh
Branch Secretary	Peter O'Keefe
Branch Assistant Secretary	Martin Pritchard (01/07/14 – 04/05/15)
Branch Assistant Secretary	Ben Harris (05/05/15 – 30/06/15)
Branch Treasurer	Rita Mahony
Committee Member	Margaret Zurakowski
Committee Member	Grace Thomson
Committee Member	Pamela Bowman
Committee Member	Marnie Gilbert
Committee Member	Trevor Cook
Committee Member	Teegan Adams (06/08/14 – 30/06/15)
National Council Delegate	Peter O'Keefe
National Council Delegate	Joseph Bullock
National Council Delegate	Rita Mahony
National Council Delegate	Martin Pritchard
National Council Delegate	Grace Thomson

The total remuneration paid or payable, from the Entity to all the members of the Committee of Management (Key management personnel) for the year ended 30 June 2015 was \$136,865 (2014:\$ 218,997). Refer to note 12A.



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

**Notes to the financial statements**

**17 Key Management Personnel Remuneration for the Reporting Period**

	2015*	2014
	\$	\$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	121,835	170,025
Annual leave accrued	-	69
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<u>-</u>	<u>170,094</u>
 <b>Post-employee benefits</b>		
Superannuation	<u>15,030</u>	48,973
<b>Total post-employee benefits</b>	<u>15,030</u>	<u>48,973</u>
 <b>Other long-term benefits</b>		
Long service leave	<u>-</u>	1,323
<b>Total other long-term benefits</b>	<u>-</u>	<u>1,323</u>
 <b>Termination benefits</b>	-	-
 <b>Total</b>	<u>136,865</u>	<u>220,390</u>

\* Re-issued – refer to note 2 (a)



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

### **Report on the financial report**

We have audited the accompanying financial report of the Shop, Distributive and Allied Employees' Association Western Australian Branch (the Entity), which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 17 comprising a summary of significant accounting policies and other explanatory information and the Committee of Management's statement.

#### *Committee of Management's responsibility for the financial report*

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

#### *Auditor's responsibility*

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

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

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Fair Work (Registered Organisations) Act 2009* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Entity's financial position and of its performance.

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



### *Independence*

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board.

### *Auditor's opinion*

In our opinion:

- (a) the financial report presents fairly, in all material respects, in accordance with the requirements imposed by the *Fair Work (Registered Organisations) Act 2009*, the financial position of the Shop, Distributive and Allied Employees' Association, Western Australian Branch as of 30 June 2015 and of its financial performance and its cash flows for the year then ended;
- (b) the financial report complies with Australian Accounting Standards and the *Fair Work (Registered Organisations) Regulations 2009*; and
- (c) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.

### *Reissuance of Audit Opinion*

Without modification to the opinion expressed above, we draw attention to Note 2(a) that explains that the financial report has been reissued. As a result, this audit report supersedes our previous independent audit report to the Members of the Shop, Distributive and Allied Employees' Association Western Australian Branch dated 2 September 2015 on the financial statements for the year ended 30 June 2015, signed and approved by the Committee of Management on 2 September 2015.

### *Report on other regulatory requirements*

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

KPMG

KPMG

Matthew Beevers  
*Partner*

Qualifications: Chartered Accountant (94498)

Perth

24 February 2016

Operating Report of THE SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES'  
ASSOCIATION, WESTERN AUSTRALIAN BRANCH  
(2014/2015) Financial Year

1. Review of unit's principal activities during the last financial year including significant changes:  
a) Major cases which the State Branch either ran or were associated with:

*District/Location Allowances*

- On 1 July 2014, the Australian Council of Trade Unions (ACTU) filed an application to vary modern awards that contained district allowance provision. The application was to delete the sunset provisions, which in effect would mean the allowances would continue after 31 December 2014.

On 31 October 2014, the Full Bench of the Fair Work Commission declined to grant the ACTU's application to delete the sunset provisions (written decision provided on 11 February 2015). However, despite finding the allowances that had applied in WA and the NT could not continue (for various reasons), the Bench allowed the continuation of the Broken Hill Allowance. It did so on the basis that it met the modern award objectives and did not offend section 154.

On 27 October 2014 and 17 December 2014, the WA Branch (under delegated authority from the National office) filed a number of applications in the context of the Fair Work Commission's 4 yearly review of modern awards, proposing the introduction of a "location" allowance, applicable in all states and territories, to compensate employees for disabilities associated with the performance of work in remote locations. Applications were filed in relation to the following modern awards:

- a. *Pharmacy Industry Award 2010;*
- b. *General Retail Industry Award 2010;*
- c. *Hair and Beauty Industry Award 2010;*
- d. *Fast Food Industry Award 2010;* and
- e. *Vehicle Manufacturing, Repair, Services, Retail Award 2010.*

In late February 2015, in response to the Full Bench's written decision provided on 11 February 2015, the ACCI wrote to the Bench to say it had erred in its written decision by making a decision in relation to the Broken Hill Allowance that was inconsistent with its broader decision in October 2014 to not grant the ACTU's application. The Bench allowed submissions on the matter but ultimately found it had not erred.

The ACCI have since appealed the FWC's decision on a number of grounds. The most interesting ground of the appeal is that the decision gives effect to a clause that offends section 154 of the Act. The appeal was heard by a Full Bench of the Federal Court on 21 August 2015, and the Full Bench reserved its decision.

In the interim, the WA Branch's applications for location allowances are on hold – pending the outcome of ACCI's Federal Court appeal (the location allowances were listed to be heard by the Commission in late May but that hearing was adjourned). Once the appeal is concluded the location allowance applications will be free to proceed. However, the outcome of the appeal, in particular around the operation of section 154, may affect the prospects of success of those applications.

*Coles takeover of Progressive IGA stores*

- In the second half of 2014, Coles Supermarkets took over Progressive IGA's Bunbury, Dianella and Halls Head stores. The WA Branch was involved in Coles' successful applications to the Fair Work

Commission under section 318 of the Fair Work Act for the *Coles Supermarkets Australia Pty Ltd and Bi-Lo Pty Limited Retail Agreement 2011*, *Coles Supermarkets Australia Pty Ltd and Australasian Meat Industry Employees' Union Western Australia Agreement 2012*, and *Coles Liquor Group Retail Agreement 2011* to cover transferring IGA employees.

#### *Pharmacy matters*

- The WA Branch also assisted a member to file an application under section 225 of the Fair Work Act to terminate the expired *Community Pharmacy Multiple Business Agreement (Western Australia)*. The matter is due to be heard by the Fair Work Commission on 30 September 2015.
- The WA Branch is also supporting the Shop, Distributive and Allied Employees' Association of Western Australia (Association) in a case opposing an application by the Pharmacy Guild of Western Australia to create a new state award that has inferior penalty provisions to the current state award. The matter has been adjourned until 2016.

#### *Campaigns*

- The WA Branch has also been involved in campaigning for the General Retail Industry Award to move towards paying the adult rate at 18 years of age. Adult rates at 20 have been achieved but the campaign continues.
- b) In addition to the above matters the WA Branch lodged twenty unfair dismissal claims, four general protections claims, and an underpayment claim with the Fair Work Commission. There was one underpayments claim lodged in the Industrial Magistrates Court. All of those matters were settled to the satisfaction of the member. 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 30 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 104 various enterprise agreements (including agreements past their nominal expiry date but still in force). Seventeen agreements were negotiated by the National office and or the WA Branch and approved by the FWC during the 2014/15 financial year.

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

- e) The WA Branch ended its longstanding relationship with Fiocco's Lawyers, due to that firm's take over by Slater & Gordon Lawyers from 1 August 2014. Since then, the WA Branch has commenced a relationship with Slater & Gordon Lawyers, which has ensured members have had, and will continue to have, proper support and legal representation.

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 2014/2015 financial year.

The majority of those claims were settled in conjunction with Slater & Gordon.

One of Slater & Gordon's lawyers has also been on secondment to the WA Branch, working from the WA Branch's offices, assisting members with industrial and employment law matters.

- f) The WA Branch continued to provide training courses for its delegates during the 2014/2015 financial year.

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

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

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

Members of the SDA are entitled to resign pursuant to section 174 Termination of Membership. The SDA strictly adheres to the resignation from membership provisions, contained therein. These rights include:

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

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

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

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

5. Details of membership of the Committee of Management –

COMMITTEE OF MANAGEMENT 1<sup>ST</sup> JULY 2014 – 30<sup>TH</sup> JUNE 2015

BRANCH PRESIDENT:	JOSEPH BULLOCK
BRANCH VICE PRESIDENT:	TONY HOH
BRANCH SECRETARY:	PETER O'KEEFFE
BRANCH ASSISTANT SECRETARY:	MARTIN PRITCHARD (1/7/2014 – 4/5/2015) BEN HARRIS (5/5/2015 – 30/6/2015)
BRANCH TREASURER:	RITA MAHONY
BRANCH COMMITTEE OF MANAGEMENT MEMBERS:	PAMELA BOWMAN TREVOR COOK MARNIE GILBERT GRACE THOMSON MARGARET ZURAKOWSKI TEEGAN ADAMS (6/8/2014 – 30/6/2015)

6. Other

- The report is signed and dated
- The number of members of the SDA WA Branch at 30<sup>th</sup> June 2015 was 23,067
- As at the 30<sup>th</sup> June 2015 the Branch employs 27 employees
- At point (1) the report contains a review of principal activities
- At point (2) are details of significant change of activities
- At point (3) are details of the rights of members to resign
- At point (4) are details of superannuation trustees
- At point (5) are details of membership of the Committee of Management

SIGNED



DATED

2/9/15

PETER O'KEEFFE  
BRANCH SECRETARY.