Annual Financial Reports
for the year ended 30 June 2015

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OPERATING REPORT

For the year ended 30 June 2015

The members of the National Executive present their report together with the financial report of Shop, Distributive & Allied Employees' Association ('the Association') for the financial year ended 30 June 2015 and the auditor's report thereon.

1. Membership

Membership of the Association as at 30 June 2015 was 209,706 (2014: 209,838).

Persons eligible to do so under the rules of the Association were actively encouraged to join the Association. Pursuant to s174 of the Fair Work (Registered Organisations) Act 2009 ("RO Act") and in accordance with Rule 27 of the Association, members have the right to resign from the Association by written notice to the appropriate Branch of the Association.

2. Committee of Management

The members of the National Executive of the Association at any time during or since the end of the financial year are:

Name	Experience
Mr Joseph de Bruyn National President	National Executive Member since 1978 National Secretary-Treasurer 1978-2014 Elected National President 2014
Mr Michael Donovan National Vice President	National Executive Member since 1996 Elected National Vice President 2014
Mr Gerard Dwyer National Secretary-Treasurer	National Executive Member since 2005 National President 2008-2014 Elected National Secretary-Treasurer 2014
Mr Ian Blandthorn National Assistant Secretary	National Executive Member since 1986 Elected National Assistant Secretary 1986
Mr Paul Griffin	National Executive Member since 1990
Ms Barbara Nebart	National Executive Member since 2004
Mr Peter Malinauskas	National Executive Member since 2008
Mr Bernie Smith	National Executive Member since 2014
Mr Chris Gazenbeek	National Executive Member since 2014
Mr Peter O'Keeffe	National Executive Member since 2014
Mr Joseph Bullock (retired)	National Executive Member 1996-2014 National Vice President 2004-2014
Mr Chris Ketter (retired)	National Executive Member 1996-2014

3. Affiliations & Directorships

The Association, through its Branches, is affiliated with the Australian Labor Party ("ALP"). Delegates were credentialed to various state and national meetings of the ALP. The National Secretary-Treasurer is a member of the ALP National Executive and the Australian Labor Advisory Council.

The Association is affiliated with the Australian Council of Trade Unions ("ACTU"). The National Secretary-Treasurer is Senior Vice President of the ACTU. Three other representatives of the Association are also members of the ACTU Executive. Officials of the Association are active on a range of ACTU Committees, including finance, health and safety, women, vocational education and training, future international industrial legislation.

The Association is affiliated to Union Network International ("UNI"). Various officials of the Association hold elected positions within UNI. The National Secretary-Treasurer is Vice President of UNI-APRO.

The National Assistant Secretary is a Director of the Service Industries Skills Council.

4. Principal activities

The Association maintained its industrial awards and agreements at a high, up-to-date standard, and produced a range of publications for its members.

New enterprise agreements were negotiated with a wide range of employers including but not limited to Coles, Country Road, Dan Murphy's, Hugo Boss, Australian Geographic, Aldi, Bras & Things, Masters, and The Reject Shop. These agreements all resulted in improved wages and working conditions for the employees covered by them.

The Association continues its defence of penalty rates in its major awards and also protects other entitlements from attack by employers. The Association also ran a major test case in support of the principle of the adult rate of pay at 18 years of age, and was successful in achieving the adult rate at 20 years in the General Retail Industry Award.

The Association has also actively opposed legislation by the Abbott Government to take away basic entitlements of workers since its election to office on 7 September, 2013 and, particularly, various regressive provisions aimed against low paid workers in the 2014/2015 Federal Budget.

There were no significant changes in the Association during the financial year in the nature of its activities and financial affairs. At 30 June 2015, there were 12 effective full-time equivalent employees of the National Office of the Association (2014: 12).

5. Superannuation Trustees

Four representatives of the Association hold positions as Directors of the Retail Employees' Superannuation Trust ("REST"). Below are the directors as at 30 June 2015, along with the nominated alternate Employee Directors.

Directors:	Alternates:
Mr Joseph de Bruyn	Mr Gerard Dwyer
Mr Ian Blandthorn	Mr Michael Donovan
Mr Geoff Williams	Mr Peter Malinauskas
Ms Sue-Anne Burnley	Ms Julia Fox

National Executive Member Mr Paul Griffin is a Director of the Tasplan Superannuation Fund. An official of the Association, Ms Sue-Anne Burnley, is also a Director of CARE Super Pty Ltd.

6. SDA Report to the Workplace Gender Equality Agency

The Shop, Distributive and Allied Employees' Association, as required by the Workplace Gender Equality Act 2012, lodged its public report for the reporting year 2014-2015, to the Workplace Gender Equality Agency, on the 29th May 2015. The report is available on the SDA National website at www.sda.org.au

7. Information to be provided to members or General Manager

In accordance with the requirements of subsection 272(5) of the RO Act, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272, which states as follows:

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

Dated at Melbourne this 21st day of August, 2015

Joseph de Bruyn *National President*	**Gerard Dwyer** *National Secretary-Treasurer*

COMMITTEE OF MANAGEMENT STATEMENT

We, Gerard Dwyer and Joseph de Bruyn, being two members of the National Executive of the Association, do state on behalf of the National Executive and in accordance with a resolution passed by the National Executive on 21st August 2015 in relation to the accompanying general purpose financial report that, in the opinion of the National Executive:

(a) the financial statements and notes set out on pages 8 to 40 comply with the Australian Accounting Standards;

(b) the financial statements and notes set out on pages 8 to 40 comply with the reporting guidelines of Fair Work Australia ("FWA");

(c) the financial statements and notes present a true and fair view of the financial performance, financial position and cash flows of the Association for the financial year ended 30 June 2015;

(d) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable;

(e) during the financial year ended 30 June 2015 and since the end of that year:

- (i) meetings of the executive were held in accordance with the rules of the Association;
- (ii) the financial affairs of the Association have been managed in accordance with the rules of the Association;
- (iii) the financial records of the Association have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 ("RO Act") and the RO Regulations;
- (iv) the financial records of the Association have been kept, as far as practicable, in a consistent manner for each of the branches of the Association;
- (v) to the knowledge of any member of the National Executive, there have been no instances of information sought in any request of a member of the Association or FWA duly made under section 272 of the RO Act that have not been furnished to the member or FWA;
- (vi) no orders for inspection of financial records have been made by FWA under section 273 of the RO Act; and
- (vii) in relation to the recovery of wages activity, there has been no such activity undertaken by the Association and no revenue derived.

Dated at Melbourne this 21st day of August, 2015

Joseph de Bruyn *National President*	**Gerard Dwyer** *National Secretary-Treasurer*

CERTIFICATE BY NATIONAL SECRETARY-TREASURER

I, Gerard Dwyer, being the officer responsible for keeping the accounting records of the Association certify that as at 30 June 2015 the number of members of the Association was 209,706.

In my opinion:

(i) the accompanying financial report set out on pages 8 to 40 presents a true and fair view of the financial position of the Association as at 30 June 2015;

(ii) a record has been kept of all monies paid by or collected from members of the Association and all monies so paid or collected have been credited to the bank account to which those monies are to be credited in accordance with the rules of the Association;

(iii) before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the rules of the Association;

(iv) no payments were made out of funds or accounts operated by the Association in respect of compulsory levies raised by the Association or voluntary contributions collected from members of the Association or other funds, the operation of which is required by the rules of the Association for a purpose other than the purpose for which the funds or accounts were operated;

(v) no loans or other financial benefits other than remuneration in respect of their full time employment with the Association were made to persons holding office in the Association; and

(vi) the Register of Members of the Association was maintained in accordance with the Fair Work (Registered Organisations) Act 2009.

Dated at Melbourne this 21st day of August, 2015

Gerard Dwyer
National Secretary-Treasurer

STATEMENT OF FINANCIAL POSITION - AS AT 30 JUNE 2015

	Note	2015	2014
Assets			
Cash and cash equivalents	9	1,002,326	1,460,407
Receivables	10	699,547	428,286
Other financial assets	11	27,300,000	25,300,000
Total current assets		29,001,873	27,188,693
Investment property	12	17,400,000	15,300,000
Property, plant and equipment	13	423,878	316,199
Employee benefits	15	625,388	470,908
Total non-current assets		18,449,266	16,087,107
TOTAL ASSETS		**47,451,139**	**43,275,800**

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	Note	2015	2014
Liabilities			
Trade and other payables	14	451,409	406,915
Employee benefits	15	794,459	878,835
Total current liabilities		1,245,868	1,285,750
Employee benefits	15	4,267	13,870
Total non-current liabilities		4,267	13,870
TOTAL LIABILITIES		**1,250,135**	**1,299,620**
NET ASSETS		**46,201,004**	**41,976,180**
Equity			
Retained earnings		46,201,004	41,976,180
TOTAL EQUITY		**46,201,004**	**41,976,180**

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME - FOR THE YEAR ENDED 30 JUNE 15

	Note	2015	2014
Income			
Capitation fees	21	5,868,094	4,852,875
		5,868,094	4,852,875
Other income	7	3,851,366	1,966,088
		9,719,460	**6,818,9633**
Expenditure			
53 Queen St, Melbourne - direct operating expenses		562,245	532,405
ACTU IR Campaign Levy	21	435,874	431,178
Affiliation fees	21	1,536,975	1,491,938
Audit fees	8	25,000	24,284
Campaigning expenses		207,598	560,657
Delegates expenses		248,211	360,213
Depreciation	13	57,347	42,462
Donations		267,208	792,094
Legal expenses		549,998	150,078
Meeting expenses		260,557	225,594
Office & administration expenses		148,026	133,604
Other expenses		465,561	540,338
Personnel expenses	19	1,537,274	1,542,686
Travel expenses		212,635	155,172
Total Expenses		**6,514,509**	**6,982,703**
Result from Operating Activities		**3,204,951**	**(163,740)**
Finance income			
Interest income	11	823,960	812,098
		823,960	812,098
Income tax expense	4(k)	-	-
PROFIT FOR THE PERIOD		**4,028,911**	**648,358**
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Remeasurement of defined benefit asset	15	195,913	507,317
Income tax on other comprehensive income	4(k)	-	-
Items that are or may be reclassified to profit or loss		-	-
Other comprehensive income, net of tax		195,913	507,317
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**4,224,824**	**1,155,675**

STATEMENT OF CHANGES IN EQUITY - FOR THE YEAR ENDED 30 JUNE 2015

	Note	Retained earnings	Total equity
Balance at 1 July 2014		41,976,180	41,976,180
Total comprehensive income for the period			
Profit for the period		4,028,911	4,028,911
Other comprehensive income			
Remeasurement of defined benefit asset, net of tax	15	195,913	195,913
Total comprehensive income for the period		4,224,824	4,224,824
Transactions with members of the Association, recognised directly in equity		-	-
Balance at 30 June 2015		**46,201,004**	**46,201,004**
Balance at 1 July 2013		40,820,505	40,820,505
Total comprehensive income for the period			
Profit for the period		648,358	648,358
Other comprehensive income			
Remeasurement of defined benefit asset, net of tax	15	507,317	507,317
Total comprehensive income for the period		1,155,675	1,155,675
Transactions with members of the Association, recognised directly in equity		-	-
Balance at 30 June 2014		**41,976,180**	**41,976,180**

STATEMENT OF CASH FLOWS - FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015	2014
Cash flows from operating activities			
Cash receipts from operations		8,477,262	7,385,454
Cash paid to suppliers and employees		(7,256,305)	(7,545,670)
Cash generated from operations		1,220,957	(160,216)
Interest received		828,857	845,748
Net cash from operating activities	20	**2,049,814**	**685,532**
Cash flows from investing activities			
Acquisition of term deposits		(2,000,000)	(200,000)
Acquisition of property, plant and equipment	13	(181,073)	(69,295)
Acquisition of investment property		(334,710)	-
Proceeds on sale of property, plant and equipment		7,888	1,385
Net cash (used in) investing activities		**(2,507,895)**	**(267,910)**
Net cash from/(used in) investing activities		**(267,910)**	**(3,010,671)**
Cash flows from financing activities			
Net cash from/(used in) financing activities		-	-
Net (decreases)/increases in cash and cash equivalents		(458,081)	417,622
Cash and cash equivalents at 1 July		1,460,407	1,042,785
CASH AND CASH EQUIVALENTS AT 30 JUNE	**9**	**1,002,326**	**1,460,407**

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

Shop, Distributive & Allied Employees' Association (the 'Association') is an Association domiciled in Australia. The address of the Association's registered office is Level 6, 53 Queen Street, Melbourne. The financial report of the Association for the financial year ended 30 June 2015 comprises the National Account and the International Fund. The Association is a not-for-profit entity and primarily is involved in retail trade union activities.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the Fair Work (Registered Organisations) Act 2009.

The financial statements were approved by the National Executive on 21st August 2015.

b) Basis of measurement

The financial report is prepared on the historical cost basis except for the following material items in the statement of financial position:

- investment property is measured at fair value; and
- the defined benefit asset is recognised as the net total of the plan assets, plus unrecognised past service cost and unrecognised actuarial losses, less unrecognised actuarial gains and the present value of the defined benefit obligation.

c) Functional and presentation currency

The financial report is presented in Australian dollars, which is the Association's functional currency.

d) Use of estimates and judgements

The preparation of financial statements in conformity with AASBs 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.

(i) Judgements

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

- Note 12 – valuation and classification of investment property.
- Note 17 – lease classification.

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following note:

- Note 15 – measurement of defined benefit obligations: key actuarial assumptions.

Measurement of fair values

A number of the Association's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Association has an established control framework with respect to the measurement of fair values. Significant fair value measurements are overseen and reviewed regularly, including unobservable inputs and valuation adjustments. If third party information is used to measure fair values, the Association assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of AASBs, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reviewed by the Association's Audit and Risk Committee.

When measuring the fair value of an asset or a liability, the Association uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Association recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 12 – investment property.

3. CHANGES IN ACCOUNTING POLICIES

The Association has consistently applied the accounting policies set out in Note 4 for all periods presented in these financial statements.

4. SIGNIFICANT ACCOUNTING POLICES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Association.

a) Financial instruments

(i) Non-derivative financial assets

The Association initially recognises receivables and deposits on the date that they originate. All other financial assets (including assets designated at fair value through profit and loss) are recognised initially on the trade date at which the Association becomes a party to the contractual provisions of the instrument.

The Association derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Association is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the financial position when, and only when, the Association 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.

The Association has the following non-derivative financial assets: held-to maturity financial assets, receivables, and cash and cash equivalents.

Held-to-maturity financial assets

Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses (see note 4e(i)). Any sale or reclassification of a more than insignificant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale, and prevent the Association from classifying investment securities as held-to-maturity for the current and the following two financial years.

Held to maturity financial assets comprise Term Deposits held with the Commonwealth Bank of Australia (see note 11).

Receivables

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition receivables are measured at amortised cost using the effective interest method, less any impairment losses (see note 4e(i)).

Receivables comprise accrued income, prepayments and sundry debtors (see note 10).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank bills with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Association in the management of short-term commitments.

(ii) Non-derivative financial liabilities

The Association's other financial liabilities are recognised initially on the trade date which is the date that the Association becomes a party to the contractual provisions of the instrument.

The Association derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Association 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.

The financial liabilities are recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method. Other financial liabilities comprise trade and other payables.

(iii) Share capital

The Association is an unincorporated registered organisation under the Fair Work (Registered Organisations) Act 2009 and does not have share capital.

b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Association at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss.

c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within other income/other expenses in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Association and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line or diminishing value over the estimated useful lives of each part of an item of property, plant and equipment, to most closely reflect the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Association will obtain ownership by the end of the lease term.

The estimated useful lives in the current and comparative periods are as follows:

	2015	2014
• Leasehold improvements	5-20 years	6-20 years
• Fixtures and fittings	4-20 years	4-20 years
• Motor vehicles	8 years	8 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

d) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit and loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

e) Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each financial reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including receivables) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Association on terms the Association would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

Financial asset at amortised cost

The Association considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment, and those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together those with similar risk characteristics.

In assessing collective impairment the Association uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that actual losses are likely to be greater or less than suggested by historical trends.

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 and reflected in an allowance account against receivables or held-to-maturity investment securities. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Association's non-financial assets, other than investment property, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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f) Employee benefits

(i) Defined benefit plans

The Association's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Association, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Association determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Association recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(ii) Other long-term employee benefits

The Association's net obligation in respect of long-term employee benefits other than defined benefit superannuation funds is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; 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 Corporate bonds that have maturity dates approximating the terms of the Association's obligations in which the benefits are expected to be paid.

(iii) Short-term benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts and expensed based on remuneration wage and salary rates that the Association expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax. Amounts that are expected to be settled beyond 12 months are measured in accordance with long term benefits.

g) Provisions

A provision is recognised if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

h) Revenue

(i) Capitation fees

Capitation fees are fees received from the state branches of the Association in accordance with the rules of the Association. Such fees are referred to as affiliation fees in the rules and are calculated as a percentage of gross Branch membership income and paid annually in March. Under AASB 1004 governing the recognition, measurement and disclosure requirements surrounding contributions to not-for-profit entities, as the fees received represent a non-reciprocal transfer (no resulting equivalent obligations to the branch for fees paid) the capitation fees are accounted for as revenue and recognised upon receipt.

(ii) Rental income

Rental income from investment property is recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

i) Finance income

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

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

j) Leases

(i) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Determining whether an arrangement contains a lease

At inception of an arrangement, the Association determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- the fulfilment of the arrangement is dependent on the use of a specific asset or assets; and
- the arrangement contains a right to use the asset(s).

At inception or upon reassessment of the arrangement, the Association separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Association concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Association's incremental borrowing rate.

k) Income tax

The Association is exempt from income tax under Division 50, section 50-15 of the Income Tax Assessment Act 1997.

l) 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 excluded, as the Association reports to the ATO for GST on a cash-basis. 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 investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

m) Segment reporting

An operating segment is a component of the Association that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other Association's other components. All operating segments' operating results are reviewed regularly by the Association's office holders to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

n) 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 2014, and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Association are set out below. The Association does not plan to adopt these standards early.

(i) AASB 9 Financial Instruments (2010), AASB 9 Financial Instruments (2009)

AASB 9 Financial Instruments (2009) introduces new requirements for the classification and measurement of financial assets. Under AASB 9 (2009), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. AASB 9 (2010) introduces additions relating to financial liabilities. The IASB currently has an active project that may result in limited amendments to the classification and measurement requirements of AASB 9 and add new requirements to address the impairment of financial assets and hedge accounting.

AASB 9 (2010 and 2009) are effective for annual reporting periods beginning on or after 1 July 2018 with early adoption permitted. The extent of the impact has not been determined by the Association.

(ii) AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118 Revenue, AASB 111 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018. The extent of the impact has not been determined by the Association.

5. SEGMENT REPORTING

The Association operates in one geographical location, being Australia and in one industry, being trade union activities for the benefit of its members.

6. FINANCIAL RISK MANAGEMENT

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

a) Credit risk
b) Liquidity risk
c) Market risk
d) Operational risk

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

Risk Management Framework

The National Executive has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse the risks faced by the Association, 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 Association's activities. The Association, 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.

a) Credit risk

Credit risk is the risk of financial loss to the Association if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Association's receivables from customers and other financial assets.

(i) Receivables

The Association's exposure to credit risk is influenced mainly by the individual characteristics of each customer or tenant. Credit evaluations are performed on all tenants of the investment property prior to the signing of a lease agreement and security deposits are required by way of bank guarantees or cash, to be held for the term of all leases. None of the tenants were in arrears at the balance sheet date and there is no indication to management that any of the tenants present a significant credit risk. All receivables are with tenants in the Australian geographical region and therefore no impairment loss has been recognised at balance date (2014: no impairment loss).

(ii) Cash and cash equivalents

The Group held cash and cash equivalents of $1,002,326 at 30 June 2015 (2014: $1,460,407), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institution counterparties, which are located in Australia.

(b) Liquidity risk

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

(b) Liquidity risk continued

The Association prepares budgets and cash flow forecasts, which assists it in monitoring cash flow requirements and optimising its cash return on investments. Typically the Association ensures that it has sufficient cash on demand to meet expected operational expenses for a period of at least 120 days, the maximum term of its primary financial assets being term deposits. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. Refer to note 16.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Association'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.

(i) Currency risk

The Association has limited exposure to currency risks on International Fund transactions (international affiliation fees and donations) that are denominated in a currency other than the functional currency, being the Australian dollar (AUD). The currencies in which these transactions primarily are denominated are Swiss Francs (CHF) and Singapore dollars (SGD). Refer to note 16 for further details.

The Association uses at its discretion forward exchange contracts (typically 1-3 months) to hedge its currency risk, with maturity dates the same as the due dates of the International Fund transactions. At reporting date there were no forward exchange contracts in place.

(ii) Interest rate risk

The Association's interest rate risk arises from its investments in bank bills, term deposits and cash management accounts. Bank bills and term deposits are issued at fixed rates for terms of between 30 and 120 days. The Association maintains a number of different bank bills and term deposits maturing at regular intervals to smooth fluctuations in interest rates being offered. The majority of cash reserves are held in term deposits, with cash management bank accounts (with variable interest rates) used to provide liquidity funds at call.

d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Association's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Association's operations.

The Association's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Association's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within the Association. This responsibility is supported by the development of overall Association standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other legal requirements;
- Documentation of controls and procedures;
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- Requirements for the reporting of operational losses and proposed remedial action;
- Development of contingency plans;
- Training and professional development;
- Ethical and business standards;
- Risk mitigation, including insurance where this is effective.

Capital management

The Association's policy is to maintain a strong capital base so as to maintain member, creditor and market confidence and to sustain future development of the union's activities. The National Executive monitors the return on capital and seeks to maintain a conservative position between higher returns and the advantages and security afforded by a sound capital position.

There were no changes in the Association's approach to capital management during the year, and the Association is not subject to externally imposed capital requirements.

7. OTHER INCOME

	Note	2015	2014
53 Queen Street, Melbourne -			
Rental income from investment property	17	1,284,929	1,093,609
53 Queen Street, Melbourne - Fair value increment	12	1,765,290	-
ACTU trust distributions	21	34,950	100,609
SDA Branch reimbursements	21	422,599	582,388
Other organisation reimbursements		158,962	-
CARE director's fees		59,106	53,543
REST director's fees	21	125,114	134,554
Other income		416	1,385
		3,851,366	**1,966,088**

8. AUDITORS' REMUNERATION

	Note	2015	2014
Audit services			
Auditors of the Association			
KPMG Australia:			
Audit and review of financial reports		25,000	24,284
		25,000	24,284
Other services			
Auditors of the Association			
KPMG Australia:			
Other assurance services		2,531	2,460
		2,531	2,460
TOTAL AUDITORS' REMUNERATION		**27,531**	**26,744**

9. CASH AND CASH EQUIVALENTS

	2015	2014
Cash at bank	131,920	138,487
Cash management accounts	775,183	1,197,222
Term deposits	95,223	124,698
	1,002,326	**1,460,407**

The Association's exposure to interest rate risk and a sensitivity analysis for financial assets is disclosed in note 16.

10. RECEIVABLES

	Note	2015	2014
Accrued interest income		128,871	133,768
Prepayments		73,436	56,496
Related party debtors	21	-	3,116
Sundry debtors		497,240	234,906
		699,547	**428,286**

The Association's exposure to credit and currency risks, and impairment losses related to receivables is disclosed in note 16.

11. OTHER FINANCIAL ASSETS

	2015	2014
Term deposits	27,300,000	25,300,000
	27,300,000	**25,300,000**

Term deposits have stated interest rates of 2.75 to 3.00 percent (2014: 3.40 percent) and mature in 120 days or more.

The Association's exposure to credit and interest rate risk is disclosed in note 16.

During the year ended 30 June 2015, the Association received interest income of $823,960 (2014: $812,098) in respect of financial assets not at fair value through profit and loss.

12. INVESTMENT PROPERTY

(a) Reconciliation of carrying amount

Investment property comprises a commercial property located at 53 Queen Street, Melbourne. The Association retains possession of levels 6 and 7 as its registered head office and leases the remaining floors to third parties. Each of the leases contains an initial non-cancellable period of a minimum of three years, with fixed percentage annual rent increases. Some lease incentives were paid and are being amortised over the period of the leases. Subsequent renewals are negotiated with the lessee and on average renewal periods are 4 years. No contingent rents are paid. Further information about these leases are contained in Note 17.

Property	2015	2014
Balance at 1 July	15,300,000	15,300,000
Capital improvements	334,710	-
Fair value adjustment (refer below)	1,765,290	-
Balance at 30 June	17,400,000	15,300,000
Lease incentives		
Balance at 1 July	-	32,296
Amortisation of lease incentives	-	(32,296)
Balance at 30 June	-	-
	17,400,000	**15,300,000**

(b) Measurement of fair value

(i) Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Association's investment property at least every two years. In years where external, independent valuations are not obtained, these are substituted with Association management performing internal valuations utilising publicly available market data for properties with similar characteristics to the Association's investment property.

The fair value measurement for investment property of $17,400,000 was determined at 30 June 2015 by Trent Preece, Associate Director and certified practising valuer of M3 Property P/L, a registered independent appraiser having an appropriate recognised professional qualification in Australian Property Institute and recent experience in the location and category of the property being valued. The fair value measurement has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (see Note 2(d)).

(ii) Level 3 fair value – valuation technique and significant unobservable inputs

The following shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation techniques: Discounted cash flow approach (2015), Capitalisation approach (2014)

Discounted cash flow approach: The discounted cash flow approach involves formulating a projection of net income over a specified horizon, typically ten years, and discounting this cash flow including the projected terminal value at the end of the projection period at an appropriate rate. The present value of this discounted cash flow represents the Market value of the property.

Capitalisation approach: The valuation model involves estimating the potential sustainable Gross Market Income of a property from which annual outgoings are deducted to derive the Net Market Income. This Net Market Income is then capitalised at an appropriate rate derived from analysis of comparable sales evidence. Adjustments to the capitalised value are then made for items including profit rent/shortfall derived from passing rents which are above or below market, letting up allowance over vacant areas including foregone rental and outgoings over the assumed letting up period and outstanding lease incentives including rent free periods.

Significant unobservable inputs

- 2015: Discount rate 8.00%,
- 2014: Capitalisation rate 7.75%.

Inter-relationship between key unobservable inputs and fair value measurement

The estimated fair value would increase (decrease) if:

- 2015: The discount rate was lower (higher),
- 2014: The capitalisation rate was lower (higher).

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13. PROPERTY, PLANT AND EQUIPMENT

Cost	Furniture and Fittings	Motor Vehicles	Leasehold Improvements	Total
Balance at 1 July 2014	186,623	92,189	393,717	672,529
Acquisitions	12,465	91,455	77,153	181,073
Impairments	(3,449)	-	-	(3,449)
Disposals	-	(92,189)	-	(92,189)
Balance at 30 June 2015	**195,639**	**91,455**	**470,870**	**757,964**
Balance at 1 July 2013	211,712	92,189	331,840	635,741
Acquisitions	7,418	-	61,877	69,295
Impairments	(32,507)	-	-	(32,507)
Balance at 30 June 2014	**186,623**	**92,189**	**393,717**	**672,529**
Depreciation and impairment losses				
Balance at 1 July 2014	143,792	73,839	138,699	356,330
Depreciation expense for the year	15,134	13,740	28,473	57,347
Impairments	(3,449)	-	-	(3,449)
Disposals	200	(76,342)	-	(76,142)
Balance at 30 June 2015	**155,677**	**11,237**	**167,172**	**334,086**
Balance at 1 July 2013	161,545	68,686	116,144	346,375
Depreciation expense for the year	14,754	5,153	22,555	42,462
Impairments	(32,507)	-	-	(32,507)
Balance at 30 June 2014	**143,792**	**73,839**	**138,699**	**356,330**
Carrying amounts				
At 1 July 2014	42,831	18,350	255,018	316,199
At 30 June 2015	**39,962**	**80,218**	**303,698**	**423,878**
At 1 July 2013	50,167	23,503	215,696	289,366
At 30 June 2014	**42,831**	**18,350**	**255,018**	**316,199**

14. TRADE AND OTHER PAYABLES

	2015	2014
Sundry creditors	323,175	250,896
PAYG withholding tax payable	23,644	31,321
Tenant security deposits	92,523	124,698
Unearned rental income	12,067	-
	451,409	**406,915**

The Association's exposure to liquidity risk is disclosed in note 16 (b).

15. EMPLOYEE BENEFITS

	2015	2014
Current liability		
Office holders		
Liability for long service leave	238,575	308,239
Liability for annual leave	69,164	90,289
	307,739	**398,528**
Employees other than office holders		
Liability for long service leave	277,816	267,539
Liability for annual leave	208,904	212,768
	486,720	480,307
	794,459	**878,835**
Non-current liability		
Employees other than office holders		
Liability for long-service leave	4,267	13,870
	4,267	**13,870**
Non-current asset		
Office holders and other employees		
Present value of funded obligations	2,375,594	2,463,350
Fair value of plan assets - funded	(3,000,982)	(2,934,258)
Recognised (asset) for defined benefit obligations	**(625,388)**	**(470,908)**

The Association makes contributions to the SDA (Victoria Branch) benefit superannuation plan, a sub-plan of the Retail Employees' Superannuation Trust, that provide defined benefit amounts for office holders and other employees upon retirement.

The Association has determined that, in accordance with the terms and conditions of the defined benefit plans, and in accordance with statutory requirements (such as minimum funding requirements) of the plan of the respective jurisdictions, the present value of refunds or reductions in future contributions is not lower than the balance of the fair value of the plan assets less the total present value of obligations. As such, no decrease in the defined benefit asset is necessary at 30 June 2015 (30 June 2014: no decrease in the defined benefit asset).

The following tables analyse plan assets, present value of defined benefit obligations, expense recognised in profit or loss, actuarial assumptions and other information for the plan.

Movements in the net asset for defined benefit obligations recognised in the statement of financial position:

	2015	2014
Net liability/(asset) for defined benefit obligations at 1 July	(470,908)	86,899
Contributions paid into the plan	(134,121)	(187,876)
Amount recognised in other comprehensive income - actuarial (gains) losses	(195,913)	(507,317)
Expenses recognised in statement of comprehensive income with personnel expenses	175,554	137,386
Net liability/(asset) for defined benefit obligations at 30 June	**(625,388)**	**(470,908)**

Movement in the present value of the defined benefit obligations

	Note	2015	2014
Defined benefit obligations at 1 July		2,463,350	2,297,379
Current service cost		188,801	137,686
Interest cost		76,227	94,784
Actuarial (gains)/ losses recognised in other comprehensive income (see below)		(38,346)	24,373
Benefits paid by the plan		(274,000)	(41,825)
Taxes, premium & expenses paid		(40,438)	(49,047)
Defined benefit obligations at 30 June		**2,375,594**	**2,463,350**

All benefits are vested at the end of the reporting period.

Movement in the present value of plan assets

	2015	2014
Fair value of plan assets at 1 July	2,934,258	2,210,480
Expected return on plan assets at discount rate	89,474	95,084
Actuarial gains/(losses) recognised in other comprehensive income (see below)	157,567	531,690
Contributions paid	134,121	187,876
Benefits paid	(274,000)	(41,825)
Taxes and expenses	(40,438)	(49,047)
Fair value of plan assets at 30 June	**3,000,982**	**2,934,258**

Expense recognised in profit or loss

	2015	2014
Current service costs	188,801	137,686
Net interest costs	(13,247)	(300)
	175,554	**137,386**

Re-measurements of net defined benefit liability/asset

	2015	2014
Loss/(Gain) on Defined Benefit Obligation	(38,346)	24,373
Loss/(Gain) on Assets	(157,567)	(531,690)
Recognised in Other comprehensive (income)/expense	**(195,913)**	**(507,317)**

Actuarial gains (and losses) recognised in other comprehensive income

	2015	2014
Cumulative amount at 1 July	(65,325)	(572,642)
Recognised during the period	195,913	507,317
Cumulative amount at 30 June	**130,588**	**(65,325)**

The major categories of plan assets as a percentage of total fund assets are as follows:

	2015	2014
Australian Equity	19%	20%
International Equity	29%	30%
Fixed Income	10%	10%
Property	11%	11%
Cash	6%	6%
Other	25%	23%

Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2015	2014
Discount rate at 30 June	4.25%	3.50%
Future salary increases	4.00%	4.00%

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions set out above. The following table summarises how the impact on the defined benefit obligation at the end of the reporting period would have increased (decreased) as a result of a change in the respective assumptions by one percent.

	2015	2014
Additional DBO for a 1% decrease in the discount rate	158,032	247,640
Reduction DBO for a 1% increase in the discount rate	36,487	170,610

The above sensitivities are based on the average duration of the benefit obligation determined by the actuary as at 30 June 2015 and are applied to adjust the defined benefit obligation at the end of the reporting period for the assumptions concerned. Whilst the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation to the sensitivity of the assumptions shown.

Historical information

	2015	2014	2013	2012	2011
Present value of the defined benefit obligation	2,375,594	2,463,350	2,297,379	2,258,545	2,046,200
Fair value of plan assets - funded	(3,000,982)	(2,934,258)	(2,210,480)	(2,050,099)	(2,199,441)
Recognised liability / (asset) for defined benefit obligation	**(625,388)**	**(470,908)**	**86,899**	**208,446**	**(153,241)**

Funding

The plan is fully funded by the Association. The funding requirements are based on the plan fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions above. Employees are not required to contribute to the plan.

The Association expects to contribute $219,480 to its defined benefit superannuation funds during the year ended 30 June 2016.

16. FINANCIAL INSTRUMENTS

(a) Credit risk

Exposure to credit risk

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

	Note	Carrying amount 2015	2014
Current			
Cash and cash equivalents	9	1,002,326	1,460,407
Receivables	10	699,547	428,286
Other financial assets	11	27,300,000	25,300,000
		29,001,873	**27,188,693**

Impairment losses

None of the Association's receivables are past due (2014: nil) and based on historic default rates and the minimal credit risk, the Association believes no impairment allowance is necessary. The other financial assets are all bank bills and term deposits issued by the Commonwealth Bank of Australia and the Association believes no impairment allowance is necessary. At 30 June 2015 the Association does not have any collective impairments on its cash and cash equivalents, receivables or other financial assets (2014: nil). All receivables are in the Australia geographic region.

(b) Liquidity risk

The carrying amount of the Association's financial liabilities is represented by trade and other payables (note 14). The carrying amounts approximate contractual cashflows and all are due in 3 months or less (2014: 3 months or less). The Association has adequate financial assets to meet these liabilities and assesses liquidity risk as minimal.

(c) Currency risk

International Fund transactions requiring settlement in foreign currencies represent the carrying amount and maximum exposure to currency risk. The Association has no contractual obligations (trade payables or receivables) or forward exchange contracts in place at reporting date (2014: nil).

(d) Interest rate risk

Profile

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

	Note	Effective interest rate	Carrying amount
		2015	
Financial assets			
Cash and cash equivalents (fixed and variable rates)	9	0.69%	1,002,326
Other financial assets (fixed rate)	11	2.85%	27,300,000
			28,302,326
		2014	
Financial assets			
Cash and cash equivalents (fixed and variable rates)	9	1.28%	1,460,407
Other financial assets (fixed rate)	11	3.40%	25,300,000
			26,760,407

Fair value sensitivity analysis for fixed rate instruments

The Association does not account for any fixed and variable rate financial assets at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Fair value sensitivity analysis for variable rate instruments

Variable rate instruments consist of cash management bank accounts, shown in cash and cash equivalents (note 9). A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2014.

	Profit or loss 100bp increase	100bp decrease
30 June 2014		
Cash management accounts	7,752	(7,752)
30 June 2013		
Cash management accounts	11,972	(11,972)

Fair values

The fair value of the Association's assets and liabilities as at 30 June 2015 approximate their carrying amounts shown in the statement of financial position.

17. OPERATING LEASES

Leases as lessor

The Association leases out its investment property under operating leases (see note 12). The future minimum lease income under non-cancellable leases are as follows:

	Notes	2015	2014
Less than one year		1,081,860	960,983
Between one and five years		2,552,839	1,908,029
More than five years		293,828	437,479
		3,928,527	**3,306,491**

During the year, the Association recognised $1,284,929 as rental income in the statement of profit or loss and other comprehensive income (2014: $1,093,609).

18. CONTROLLED ENTITIES

Parent entity

The Association comprises the Shop, Distributive and Allied Employees' Association National Account and the International Fund.

	2015	2014
Controlled Entity	%	%
Ordinary shares		
WT Travel Pty Ltd	100	100

WT Travel Pty Ltd, an Australian controlled entity, was purchased by the Shop Distributive and Allied Employees' Association National Executive on 30 September 1993. It formerly traded as a travel agency, but is currently a dormant company. Given WT Travel is a dormant company and its results and financial position at 30 June 2015 are nil, consolidated accounts are not prepared.

19. PERSONNEL EXPENSES

	2015	2014
Holders of office:		
Wages and salaries	263,446	238,288
Superannuation (including expenses related to defined benefit plan)	43,627	28,065
Leave and other entitlements	26,606	38,538
Separation and redundancies	-	-
Other employee expenses	48,980	26,045
Subtotal employee expenses - holders of office	**382,659**	**330,936**
Employees other than office holders:		
Wages and salaries	850,061	928,179
Superannuation (including expenses related to defined benefit plan)	132,165	110,839
Leave and other entitlements	111,283	108,990
Separation and redundancies	-	-
Other employee expenses	61,106	63,742
Subtotal employee expenses - employees other than office holders	**1,154,615**	**1,211,750**
Total employee expenses	**1,537,274**	**1,542,686**

20. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2015	2014
Profit for the period	4,028,911	648,358
Adjustment for:		
Amortisation of lease incentives	-	1,973
Depreciation	57,347	42,462
Fair value (increment) / decrement on investment property	(1,765,290)	-
(Profit)/Loss on disposal of property, plant and equipment	8,159	(1,385)
Actuarial gains/(losses) recognised in equity on defined benefit plan	195,913	507,317
Operating profit before changes in working capital & provisions	**2,525,040**	**1,198,725**
Change in accrued income	4,897	33,650
Change in prepayments	(16,940)	(10,282)
Change in sundry debtors	(259,218)	(103,529)
Change in pension asset/ (liability)	(154,480)	(557,807)
Change in trade and other payables	44,494	54,076
Change in provisions and employee benefits	(93,979)	70,699
Net cash from operating activities	**2,049,814**	**685,532**

21. RELATED PARTY DISCLOSURES

Branches

The Association received from its branches the following income:

	Affiliation fee contributions 2015	2014
Newcastle	360,881	(325,034)
New South Wales	1,608,286	1,556,083
Queensland	996,548	966,173
South Australia	749,145	646,391
Tasmania	168,334	170,595
Victoria	1,297,348	1,233,062
Western Australia	687,552	605,605
Total capitation fees	**5,868,094**	**4,852,875**

The Association received from its branches the following expense reimbursements:

2015	ACTU IR Campaign Levy	ALP Election Donation	100% Pay - Week of Action	Induction Materials	Intranet	TOTAL
Newcastle	13,763	-	4,469	2,653	7,029	27,914
New South Wales	59,567	-	19,340	8,018	30,273	117,198
Queensland	34,524	-	11,209	3,316	15,796	64,845
South Australia	28,611	-	9,289	5,313	14,590	57,803
Tasmania	6,028	-	1,957	1,150	2,958	12,093
Victoria	51,699	-	16,785	2,134	25,456	96,074
Western Australia	23,745	-	7,709	3,320	11,898	46,672
	217,937	**-**	**70,758**	**25,904**	**108,000**	**422,599**

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Branches Continued:

The Association received from its branches the following expense reimbursements continued:

2014	ACTU IR Campaign Levy	ALP Election Donation	100% Pay - Week of Action	Induction Materials	Intranet	TOTAL
Newcastle	13,128	15,224	4,871	-	2,324	35,547
New South Wales	61,772	71,632	22,922	-	10,058	166,384
Queensland	35,798	41,512	13,284	-	5,829	96,423
South Australia	27,560	31,959	10,227	-	4,831	74,577
Tasmania	6,192	7,180	2,298	-	1,018	16,688
Victoria	49,026	56,851	18,192	-	8,730	132,799
Western Australia	22,113	25,642	8,206	-	4,009	59,970
	215,589	**250,000**	**80,000**	**-**	**36,799**	**582,388**

At 30 June 2014, amounts of $2,135+GST and $981+GST were owed by the Victoria and Western Australia branches respectively with regard to intranet expense reimbursements above, disclosed in note 10 as related party debtors. No amounts were owed at 30 June 2015.

The amounts paid or payable by the Association to its branches for expenses incurred on it's behalf:

	Target seat coordinator employment reimbursements 2015	2014	Other expense reimbursements 2015	2014
Newcastle	-	18,416	1,640	1,305
New South Wales	-	45,000	67,345	50,355
Queensland	-	51,597	-	3,716
South Australia	-	-	-	37,261
Tasmania	-	-	-	-
Victoria	-	22,716	-	339
Western Australia	-	13,278	-	1,666
	-	**151,007**	**68,985**	**94,642**

Affiliates

The Association received trust distribution income of $34,950 (2014: $100,609) from the ACTU as an affiliate. In accordance with the ACTU "Constitution, Rules and Standing Orders" this amount was acquitted by the ACTU as additional affiliation fees, included below.

The Association made the following payments to its affiliates:

	2015	2014
Affiliation fees		
ACTU affiliation fees	815,308	850,219
Union Network International affiliation fees	721,667	641,719
	1,536,975	**1,491,938**
Donations		
ACTU (ITUC Congress Fundraising)	-	500
ACTU (Worksite For Schools program)	12,500	12,500
ALP (2013 Federal Election Campaign)	-	500,000
ALP (James Merlino State Election Campaign)	10,000	-
ALP (Shorten Leadership Campaign)	-	10,000
ALP (WA Branch Senate Election Campaign)	-	50,000
Tim Hammond (ALP Presidential Campaign)	10,000	-
Union Network International (UNI APRO Activities Fund donation)	129,708	118,494
	162,208	**691,494**

Campaign levy

The Association contributed $435,874 (2014: $431,178) towards the ACTU IR Campaign Fund, and also made total payments of $10,000 (2014: $4,965) to the ACTU for legal, consulting and training.

Consulting

The Association contributed $9,091 (2014: nil) towards an ALP policy development project.

Other related parties

Key management personnel

The following were key management personnel of the Association during the financial year:

Name	Position
Joseph de Bruyn	Officer – National Secretary-Treasurer until October 2014, President from October 2014
Michael Donovan	Officer – National Vice-President from October 2014
Joseph Bullock (retired)	Officer – National Vice-President until October 2014
Gerard Dwyer	Officer – National President until October 2014, Secretary-Treasurer from October 2014
Ian Blandthorn	Officer – National Assistant Secretary
Bernie Smith	National Executive Member from October 2014
Paul Griffin	National Executive Member
Chris Ketter (retired)	National Executive Member until October 2014
Barbara Nebart	National Executive Member
Peter Malinauskas	National Executive Member
Chris Gazenbeek	National Executive Member from October 2014
Peter O'Keeffe	National Executive Member from October 2014

Key management personnel remuneration

The National President and Vice-President were paid honorariums for their services while the National Secretary-Treasurer and Assistant Secretary are salaried employees of the Association and all are included as key management personnel. In addition to their salaries and fees, the Association also provides motor vehicles to the National President, Secretary-Treasurer and Assistant Secretary and contributes to a post-employment defined benefit superannuation fund on their behalf. As the National Executive Members are not paid by the Association, there are only 4 remunerated officer holders of the Association.

The Association pays or reimburses travel, accommodation and meal allowances for the National Officers and the National Executive Members whilst attending National Council and/or National Executive meetings or performing other Association duties. The National Officers and National Executive Members are allowed to keep any frequent flyer points or rewards earned as a result of such travel, the value of which cannot be determined.

Key management personnel compensation to the National Officers comprised:

	2015	2014
Short-term employee benefits	478,182	316,843
Post-employment benefits	61,087	49,316
Other long term benefits	7,271	6,454
	546,540	**372,613**

Note 15 discloses liabilities for annual leave and long service leave for office holders.

Key management personnel remuneration continued:

The remuneration by officer comprised:

Key Management Personnel Remuneration for 2015	Gerard Dwyer Sec/Treas	Gerard Dwyer Pres	Michael Donovan Vice Pres	Joseph Bullock Vice Pres	Joseph de Bruyn Pres	Joseph de Bruyn Sec/Treas	Ian Blandthorn Asst Sec	TOTAL
Short-term employee benefits								
Salary (including annual leave taken)	96,761	24,190	-	-	-	45,818	124,073	290,842
Honorarium & gifts	-	5,000	-	3,500	-	4,000	-	12,500
Annual leave accrued	1,078	269	-	-	-	3,525	(1,300)	3,572
REST Director Fees	-	-	-	-	91,020	-	-	91,020
Non-monetary (accommodation, motor vehicle & parking)	25,871	2,001	-	-	19,237	9,619	23,520	80,248
Total short-term employee benefits	**123,710**	**31,460**	**-**	**3,500**	**110,257**	**62,962**	**146,293**	**478,182**
Post-employment benefits								
Superannuation-Defined Benefit	14,514	-	-	-	-	6,873	18,611	43,627
Superannuation (REST SG payments)	-	3,629	-	-	8,647	4,396	4,417	17,460
Total post-employment benefits	**14,514**	**3,629**	**-**	**-**	**8,647**	**11,269**	**23,028**	**61,087**
Other long-term benefits								
Long-service leave	2,419	605	-	-	-	1,145	3,102	7,271
Total other long-term benefits	**2,419**	**605**	**-**	**-**	**-**	**1,145**	**3,102**	**7,271**
Total	**140,643**	**35,694**	**-**	**3,500**	**118,904**	**75,376**	**172,423**	**546,540**

Key Management Personnel Remuneration for 2014	Gerard Dwyer Sec/Treas	Gerard Dwyer Pres	Michael Donovan Vice Pres	Joseph Bullock Vice Pres	Joseph de Bruyn Pres	Joseph de Bruyn Sec/Treas	Ian Blandthorn Asst Sec	TOTAL
Short-term employee benefits								
Salary (including annual leave taken)	-	-	-	-	-	138,518	119,627	258,145
Honorarium & gifts	-	5,000	-	3,500	-	-	-	8,500
Annual leave accrued	-	-	-	-	-	7,156	(2,936)	4,220
REST Director Fees	-	-	-	-	-	-	-	-
Non-monetary (motor vehicle & parking)	-	-	-	-	-	25,148	20,830	45,978
Total short-term employee benefits	**-**	**5,000**	**-**	**3,500**	**-**	**170,822**	**137,521**	**316,843**
Post-employment benefits								
Superannuation-Defined Benefit	-	-	-	-	-	20,778	17,944	38,722
Superannuation (REST SG payments)	-	-	-	-	-	7,878	2,716	10,594
Total post-employment benefits	**-**	**-**	**-**	**-**	**-**	**28,656**	**20,660**	**49,316**
Other long-term benefits								
Long-service leave	-	-	-	-	-	3,463	2,991	6,454
Total other long-term benefits	**-**	**-**	**-**	**-**	**-**	**3,463**	**2,991**	**6,454**
Total	**-**	**5,000**	**-**	**3,500**	**-**	**202,941**	**161,172**	**372,613**

Apart from the details disclosed in this note, no officer has entered into any material transactions with the Association since the end of the previous financial year and there were no material contracts involving officers' interests existing at year-end.

Superannuation

Contributions of $134,121 (2014: $187,876) were made to a post-employment defined benefit fund managed by the Retail Employees' Superannuation Trust ("REST") on behalf of salaried office holders and employees other than office holders.

The Association receives director fees of $125,114 (2014:134,554) from REST for the services performed by three representatives of the Association, Mr Joe de Bruyn (only until October 2014), Mr Ian Blandthorn and Ms Sue-Anne Burnley. These director fees are included in Other Income in note 7. Mr Joe de Bruyn on being elected National President in October 2014 no longer receives a salary from the Association, therefore is entitled to personally receive director fees for services as a REST director from November 2014, these are disclosed in short-term employee benefits in key management personnel in Note 21.

The directors personally receive Superannuation Guarantee (SG) payments from REST for the above director fees, these are disclosed in post-employment benefits for key management personnel in Note 21.

22. 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 officer holders of the Association, to affect significantly the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

23. Information to be provided to Members or General Manager

In accordance with the requirements of subsection 272(5) of the RO Act, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272, which states as follows:

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

24. Economic Dependency

The Association is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis (as noted in the Committee of Management Statement). The Association has not agreed to provide financial support to ensure another reporting unit, branch or affiliate has the ability to continue as a going concern.

End.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION

We have audited the accompanying financial report of the Shop, Distributive and Allied Employees' Association (the Association), 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 24 comprising a summary of significant accounting policies and other explanatory information, the Operating Report, the Committee of Management Statement and Certificate by the National Secretary-Treasurer.

National Executives' responsibility for the financial report

The National Executives of the Association are 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 National Executive determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility

Our responsibility is to:

- Express an opinion on the financial report based on our audit; and
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

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 Association'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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the National Executive, as well as evaluating the overall presentation of the financial report.

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Liability limited by a scheme approved under Professional Standards Legislation.

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 Association's financial position and of its performance and cash flows.

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

Independence

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

Auditor's opinion

In our opinion the financial report of the Shop, Distributive and Allied Employees' Association is in accordance with the Fair Work (Registered Organisations) Act 2009, including:

- giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date;
- complying with applicable Australian Accounting Standards;
- and other mandatory professional reporting requirements of the Fair Work (Registered Organisations) Act 2009.

Going concern

I declare that, as part of the audit of the financial report for the financial year ended 30 June 2015, the National Executives' use of the going concern basis of accounting in the preparation of the Shop, Distributive and Allied Employees' Association's financial statements is appropriate.

KPMG

Antoni Cinanni
Partner

Member of Institute of Chartered Accountants #46581, dated 21 May 2002
Registered Company Auditor - #394346, dated 1 February 2011
Certificate of Public Practice with ICAA, dated 25 August 2010

August 2015

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Liability limited by a scheme approved under Professional Standards Legislation.

Lead auditor's independence declaration to the members of the Shop, Distributive and Allied Employees' Association

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 there have been:

- no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Antoni Cinanni
Partner

August 2015

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Liability limited by a scheme approved under Professional Standards Legislation.

INDEPENDENT AUDITOR'S REPORT

To the members of Shop, Distributive and Allied Employees Association (QLD Branch)

Report on the Financial Report

We have audited the accompanying financial report of Shop, Distributive and Allied Employees Association (QLD Branch), which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management's assertion statement.

Committee of Management's Responsibility for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and the reporting guidelines of the General Manager, and for such internal control as the Committee of Management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

The financial report has been prepared for the distribution to members of the Association for the purpose of fulfilling the requirements of subsections 265(1) and 265(5) of the Fair Work (Registered Organisations) Act 2009 in relation to the financial report and independent auditors' report.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Shop, Distributive and Allied Employees Association (QLD Branch) as at 30 June 2015, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and the reporting guidelines of the General Manager.

Report on recovery of wages activity

We have audited the recovery of wages activity financial report included in Shop, Distributive and Allied Employees Association (QLD Branch)'s report for the year ended 30 June 2015.

The Committee of Management are responsible for the preparation and fair presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the General Manager. Our responsibility is to express an opinion on the wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the recovery of wages activity financial report presents fairly, in all material respects the recovery of wages activity of Shop, Distributive and Allied Employees Association (QLD Branch) for the year ended 30 June 2015 in accordance with the guidelines of the General Manager, including:

a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
b. any donations or other contributions deducted from recovered money.

Use of Going Concern Assumption

As part of our audit of the financial report, we have concluded that managements use of the going concern assumption as set out in Note 38 in the preparation of the financial statements is appropriate. Because not all future events or conditions can be predicted, this statement is not a guarantee as to the entity's ability to continue as a going concern.

Declaration by the auditor

I, Paul Gallagher, declare the following:

1) I am a registered auditor;
2) I am a member of the Institute of Chartered Accountants in Australia; and
3) I hold a current Public Practice Certificate

BDO Audit Pty Ltd

P A Gallagher - Director
Brisbane, 4 September 2015

OPERATING REPORT

The committee presents its report on the reporting unit for the financial year ended 30 June 2015.

Review of principal activities

The principal activity of the Branch is to preserve and enhance the wages and working conditions of its members, and promote the interests and rights of workers. In addition to industrial representation, members are also provided with a range of services and benefits. The Branch produced a range of publications for its members.

There were no significant changes in the nature of the Branch's principal activities during the reporting period.

Significant Changes in Financial Affairs

There were no significant changes in the Branch's financial affairs for the year.

Rights of Members to Resign

Pursuant to section 174 of the Fair Work (Registered Organisations) Act 2009, members could resign from the Branch by written notice addressed and delivered to the Secretary-Treasurer in accordance with the rule 22A of the Branch.

Superannuation Trustees

There are no officers or employees of the branch who are superannuation fund trustees or director of a company that is a superannuation fund trustee.

Affiliations & Directorships

The Branch is affiliated with the Australian Labor Party ("ALP"). Delegates were credentialed to the State meetings of the ALP.

Membership

Membership of the Branch as at 30 June 2015 was 31,199.

Persons eligible to do so under the rules of the Branch were actively encouraged to join the Branch.

Employees

At 30 June 2015, there were 64 persons employed by the Branch.

Committee of Management

The members of the State Council of the Branch at any time during or since the end of the financial year were:

Name	*State Council*
Mr J. Hogg Branch President	State Council member since 1980 Branch President since 1996
Ms. E. Beswick Branch Vice President	State Council member since 1998 Branch Vice President since 2002
Mr C. Gazenbeek Branch Secretary - Treasurer	State Council member since Oct 2011 First Assistant Secretary since Oct 2011 Branch Secretary - Treasurer since 26 July 2014
Mr. J. Power Assistant Secretary	State Council member since Nov 2014 Assistant Secretary since Nov 2014
Mrs. P. Jarrett	State Council member since 1984 Brisbane Area Representative
Mrs. S. Pulungan	State Council member since 1998 Brisbane Area Representative
Ms. C. Oliver	State Council member since Aug 2009 Brisbane Area Representative
Ms. M. Wedgwood	State Council member since July 2014 Brisbane Area Representative
Ms. M. Stanton	State Council member since June 2010 Brisbane Area Representative
Ms. B. Flood	State Council member since July 2012 Representative from the Northern Districts
Ms. T. Williams	State Council member since July 2014 Representative from the Northern Districts
Ms. S. McLean	State Council member since July 2014 Representative from the Southern and Western Districts
Mrs. P. Wilson	State Council member since Feb 2009 Representative from the Southern and Western Districts
Mrs. R. Welch	State Council member since July 2014 Representative from the area covered by the Shop Assistants and Storemen and Packers Award - Central Division

The Association maintained its rules and reported according to statutory requirements.

Dated at Brisbane this 4th day of September 2015

Christopher Gazenbeek
Branch Secretary - Treasurer

COMMITTEE OF MANAGEMENT STATEMENT

On the 1st day of September 2015 the Committee of Management of Shop, Distributive and Allied Employees' Association (QLD Branch) passed the following resolution in relation to the general-purpose financial report (GPFR) of the Branch for the year ended 30 June 2015.

The Committee of Management declares in relation to the General Purpose Financial Report ("GPFR") that in its opinion:

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

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

Signed on behalf of the Committee of Management:

John Joseph Hogg
Branch President

Christopher Gazenbeek
Branch Secretary - Treasurer

Dated at Brisbane this 4th day of September 2015

STATEMENT OF COMPREHENSIVE INCOME - FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015	2014
INCOME			
Membership income		9,835,868	10,508,216
Interest		63,354	36,099
Other Income	3	79,372	72,685
Rental income		1,631,362	1,710,859
TOTAL INCOME		**11,609,956**	**12,327,859**
LESS EXPENSES			
Administration costs	7	1,053,704	973,561
ACTU costs		57,281	35,798
Affiliation fees	9	1,233,270	1,262,621
Audit fees	10	36,074	35,350
Considerations paid to employers for payroll deductions		913,972	976,021
Consulting/ Training		385,680	322,171
Depreciation		383,520	427,362
Federal Meeting expenses	8	115,661	88,441
Fringe benefits		87,123	80,183
Insurance		208,419	210,979
Legal costs	11	240,716	219,956
Loss on disposal of investment property		-	-
Loss on disposals of property, plant & equipment		146,053	32,243
Organising expenses		475,106	390,163
Other (rental properties expenses)		961,922	903,774
Payroll tax		182,845	187,607
Postage		267,910	182,943
Printing and stationery		243,138	146,239
Provision for Long Service Leave		(25,551)	(49,934)
Salaries and wages			
- Officials	13	236,525	687,831
- Staff	13	3,325,345	2,672,285
Scholarship bursaries		153,000	153,820
Shop steward expenses		315,832	535,300
Superannuation	13	431,513	406,055
TOTAL EXPENSES		**11,429,059**	**10,880,769**
OPERATING PROFIT		**180,897**	**1,447,090**

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

Operating Profit for the year	**180,897**	**1,447,090**
Other Comprehensive Income/(Loss):		
Net gain/(loss) on revaluation of property, plant and equipment	-	271,566
Other comprehensive income/(loss) for the year	-	-
Total other comprehensive income/(loss) for the year	-	271,566
Total comprehensive income attributable to the organisation	**180,897**	**1,718,656**

STATEMENT OF FINANCIAL POSITION - AS AT 30 JUNE 2015

	Notes	2015	2014
CURRENT ASSETS			
Cash and cash equivalents	15	412,823	406,385
Trade and other receivables	16	290,121	500,946
Tickets on hand	17	21,876	6,290
Cash management accounts	18	2,495,665	1,918,422
Other current assets	19	1,130,172	978,809
TOTAL CURRENT ASSETS		**4,350,657**	**3,810,852**
NON CURRENT ASSETS			
Property, plant and equipment	20	10,068,346	10,391,346
Investment properties	21	17,299,998	17,292,690
TOTAL NON CURRENT ASSETS		**27,368,344**	**27,684,036**
TOTAL ASSETS		**31,719,001**	**31,494,888**
CURRENT LIABILITIES			
Trade and other payables	22	460,747	455,716
Provision for employee benefits	23	1,168,407	1,054,747
Other Current Liabilities	24	22,522	12,893
TOTAL CURRENT LIABILITIES		**1,651,676**	**1,523,356**
NON CURRENT LIABILITIES			
Trade and other payables	22	-	-
Provision for long service leave	23	60,962	108,466
TOTAL NON CURRENT LIABILITIES		**60,962**	**108,466**
TOTAL LIABILITIES		**1,712,638**	**1,631,822**
NET ASSETS		**30,006,363**	**29,863,066**
EQUITY			
Mortality fund	25	90,936	128,536
General fund	26	29,915,427	29,734,530
Asset revaluation reserves		-	-
TOTAL EQUITY	**27**	**30,006,363**	**29,863,066**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015

	Mortality Fund	General Fund	Asset Revaluation Reserve	Total
	$	$	$	$
Balance at 30 June 2012	196,136	28,899,394	-	29,095,530
Profit/(loss) attributable to the organisation	-	299,758	-	299,758
Transfers to and from reserves	-	(1,183,278)	-	(1,183,278)
- Asset Revaluation Reserve	-	-	-	-
- Mortality fund (35,600)	-	-	(35,600)	
Transfers from retained earnings	-	-	-	-
Sub-total	(35,600)	(883,520)	-	(919,120)
Balance at 30 June 2013	160,536	28,015,874	-	28,176,410
Profit/(loss) attributable to the organisation	-	1,447,090	-	1,447,090
Other Comprehensive Income for the year	-	271,566	-	271,566
Transfers to and from reserves				
- Asset Revaluation Reserve	-	-	-	-
- Mortality fund	(32,000)	-	-	(32,000)
Transfers from retained earnings	-	-	-	-
Sub-total	(32,000)	1,718,656	-	1,686,656
Balance at 30 June 2014	128,536	29,734,530	-	29,863,066
Profit/(loss) attributable to the organisation	-	180,897	-	180,897
Other Comprehensive Income for the year	-	-	-	-
Transfers to and from reserves				
- Asset Revaluation Reserve	-	-	-	-
- Mortality fund	(37,600)	-	-	(37,600)
Transfers from retained earnings	-	-	-	-
Sub-total	(37,600)	180,897	-	143,297
Balance at 30 June 2015	**90,936**	**29,915,427**	**-**	**30,006,363**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		11,621,794	12,310,144
Payments to suppliers and employees		(10,929,338)	(10,811,427)
Interest received		63,354	36,099
Other receipts		79,372	72,685
Interest and other costs of finance paid		(20)	(312)
Other payments		(37,600)	(32,000)
Net cash provided by operating activities	28	**797,562**	**1,575,189**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	79,606
Payment for property, plant and equipment		(206,573)	(214,133)
Payment for investment properties		(7,308)	(510)
Payment for other non-current assets		-	(15,943)
Payments for investments		(577,243)	(1,494,174)
Net cash provided by investing activities		(791,124)	(1,645,154)
Net decrease in cash held		6,438	(69,965)
Cash at beginning of financial year		406,385	476,350
Cash at end of financial year	15	**412,823**	**406,385**

RECOVERY OF WAGES ACTIVITY FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015	2014
Cash assets in respect of recovered money at beginning of year		-	-
RECEIPTS			
Amounts recovered from employers in respect of wages		-	-
Interest received on recovered monies		-	-
TOTAL RECEIPTS		-	-
LESS PAYMENTS			
Deductions of amounts due in respect of membership for:			
- Less than 12 months		-	-
- Greater than 12 months		-	-
Deductions of donations or other contributions to accounts or funds for:			
- The reporting unit		-	-
- Other reporting unit of the organisation		-	-
- Other entity		-	-
Deductions of fees or reimbursement of expenses		-	-
Payments to workers in respect of recovered money		-	-
TOTAL PAYMENTS		-	-
Cash assets in respect of recovered money at end of year		-	-
Number of workers to which the monies recovered relates		-	-
Aggregate Payables to workers attributable to recovered monies but not yet distributed			
Payable balance		-	-
Number of Workers the payable relates to		-	-
Funds or Account operated for recovery of wages			
Account Name		-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Shop, Distributive and Allied Employees Association (QLD Branch) is a state employees Branch and is domiciled in Australia.

Basis of Preparation

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

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The following is a summary of the material accounting policies adopted by the Branch in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Comparative amounts

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

Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Measurement of fair values

A number of the branch's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The branch has an established control framework with respect to the measurement of fair values. Significant fair value measurements are overseen and reviewed regularly, including unobservable inputs and valuation adjustments. If third party information is used to measure fair values, the branch assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of AASBs, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reviewed by the branch's Audit and Risk Committee.

When measuring the fair value of an asset or a liability, the branch uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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Measurement of fair values continued

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The branch recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes: Note 20: Property, Plant & Equipment and Note 21: Investment property.

New Australian Accounting Standards

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the branch.

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

Future Australian Accounting Standards Requirements

The following new standards, amendments to standards and interpretations have been identified as those that may affect the branch on initial application. They have not been applied in preparing these financial statements.

i) AASB 15 Revenue from Contracts with Customers (applicable for reporting periods beginning on or after 1 January 2018); and

ii) AASB 9 Financial Instruments (applicable for reporting periods beginning on or after 1 January 2018).

The branch has yet to determine what impact, if any, that these standards will have on the financial statements of the branch.

Accounting Policies

(a) Revenue

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST).

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the branch retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the branch. Proceeds from the disposal of non-current assets are stated net of carrying amounts.

Donation income is recognised when it is received.

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established

(b) Employee Benefits

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

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

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

(c) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

(d) Cash and Cash Equivalents

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

(e) Tickets on hand

Tickets on hand are measured at the lower of cost and net realisable value.

(f) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(g) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the branch becomes a party to the contractual provisions of the instrument.

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

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy.

Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial liabilities at fair value through profit or loss

Financial liabilities are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial liabilities is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

(vi) Other Financial Liabilities

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

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

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the branch assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Income Statement.

Critical accounting estimates and judgments

The Committee of Management evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the branch.

Key estimates impairment

The branch assesses impairment at each reporting date by evaluating conditions specific to the branch that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is terminated. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(h) Contingent liabilities and contingent assets

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

(i) Property, Plant and Equipment

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

Property

Following initial recognition at cost, land and buildings are carried at fair value (being the amount which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction) less subsequent accumulated depreciation and accumulated impairment losses. Revaluations by external valuers are performed with periodically, but at least triennial, such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Committee of Management 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 been not discounted to present values in determining recoverable amounts.

The cost of fixed assets constructed includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Branch and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they occurred.

Revaluations

Increments in the valuation of property plant & equipment are recognised in the asset revaluation reserve. Any decrements in the valuation of a class of property, plant & equipment are recognised in the asset revaluation reserve up to the amount of previous valuation increments. Any excess decrement is recognised in the income statement.

Increments and decrements in the valuation of land and buildings held as investments properties are recognised in the income statement in the period in which they arise.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated using the straight line and diminishing value methods over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS Continued
FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciation rates used for each class of depreciable assets are:

Motor Vehicles	25%	Diminishing value
Computer Equipment	50% - 66.67%	Diminishing value
Computer Software	25% - 40%	Straight line
Furniture, Fixtures & Fittings	6.67% - 50%	Diminishing value
Office Equipment	20% - 40%	Diminishing value
Land & Buildings	2.5%	Straight line

Derecognition

An item of land, buildings, plant and equipment is derecognised upon Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

The assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

(j) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

A portion of land & buildings are investment properties that are held by the Branch for the abovementioned purposes, and they are not occupied by or for the operations of the Branch. The investment properties were revalued at 30 June 2014. Investment properties are not depreciated.

(k) Impairment of Assets

At each reporting date, the Branch reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and the value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over it recoverable amounts is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Branch estimate the recoverable amount of the cash generating unit to which the asset belongs.

(l) Taxation & Goods and Services Tax (GST)

The income of the Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:
- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

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

(m) Acquisition of assets and or liabilities that do not constitute a business combination

The branch has not acquired any assets or liabilities transferred to the branch for no consideration for the purposes of amalgamation under Part 2 of Chapter 3 of the Fair Work (Registered Organisations) Act 2009; a restructure of the branches of the Queensland branch; a determination by the General Manager under subsections 245(1) of the Fair Work (Registered Organisations) Act 2009; or a revocation by the General Manager under subsection 249(1) of the Fair Work (Registered Organisations) Act 2009.

If any assets and liabilities were acquired for no consideration they are recognised at the date of transfer.

NOTE 2: REQUIREMENTS OF SUBSECTION 272(5)

In accordance with the requirements of subsection 272(5) of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application;

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit; and

(3) A reporting unit must comply with an application made under subsection (1).

	2015	2014
NOTE 3: OTHER INCOME		
Wage Entitlement	75,526	61,488
Special Event Income	-	-
Government Paid Parental Leave	3,846	11,197
	79,372	**72,685**
NOTE 4: CAPITATION FEES		
Capitation Fees Received	-	-
	-	-
NOTE 5: LEVIES		
Compulsory Levies for Voluntary Levy/Appeals	-	-
	-	-
NOTE 6: GRANTS OR DONATIONS RECEIVED		
Grants	-	-
Donations	-	-
	-	-
NOTE 7: ADMINISTRATION EXPENSES		
Advertising Costs	19,051	39,243
Bank Charges	12,042	12,052
Building Expenses – Head office	200,108	206,956
Compulsory levies	-	-
Donations (a)	1,650	43,827
General Expenses	267,424	189,273
Information Technology costs	267,394	185,038
Interest Expense	366	31
Conference & Meeting Expenses	43,834	36,438
Photocopier Expenses	134,832	129,633
Telephone	107,003	131,070
Total administration expenses	**1,053,704**	**973,561**
NOTE 7(a): DONATIONS PAID		
- Total paid that were $1,000 or less	-	500
- Total Paid that exceeded $1,000	1,650	43,327
	1,650	**43,827**
NOTE 8: FEDERAL EXPENSES		
- Conference & Meeting Expenses	75,213	54,590
- Fees & Allowances - Meeting & Conferences	40,448	33,851
	115,661	**88,441**
NOTE 9: AFFILIATION FEES		
Shop Distributive & Allied Employees National Fund	853,357	838,087
Shop Distributive & Allied Employees International Fund	128,003	188,415
The Australian Labor Party	205,459	148,450
The Union Shopper Inc	46,451	87,669
Total Affiliation Fees	**1,233,270**	**1,262,621**
NOTE 10: AUDITORS' REMUNERATION		
Remuneration of the auditor for:		
- Auditing or reviewing the financial report	36,074	35,000
- Other accounting and taxation services provided by related practice of auditor	186,216	164,772
	222,284	**199,772**
NOTE 11: LEGAL COSTS		
- Litigation	31,916	26,150
- Other Legal Matters	208,800	193,806
	240,716	**219,956**
NOTE 12: CAPITATION FEES		
Capitation Fees Paid	-	-
	-	-

NOTE 13: EMPLOYEE EXPENSES		
Holders of Office:		
- Wages and Salaries	218,678	495,186
- Leave and Other Entitlements	17,848	192,645
- Separation and Redundancies	-	-
- Other Employee Expenses	-	-
	236,526	**687,831**
Employees other than Office Holders:		
- Wages and Salaries	3,087,529	2,461,152
- Leave and Other Entitlements	237,816	211,133
- Separation and Redundancies	-	-
- Other Employee Expenses	-	-
	3,325,345	**2,672,285**
Total Employee Expenses	**3,561,871**	**3,360,116**
Superannuation – Holders of Office	34,895	69,297
Superannuation – Employees other than Office Holders	396,618	336,758
Total Superannuation Expenses	**431,513**	**406,055**
NOTE 14: OTHER EXPENSES		
Penalties – via RO Act or RO Regulations	-	-
	-	-
NOTE 15: CASH AND CASH EQUIVALENTS		
Cash on hand	412,323	345,673
Members Equity Bank Account	-	60,212
Cash – other	500	500
	412,823	**406,385**

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	**412,823**	**406,385**
NOTE 16: TRADE AND OTHER RECEIVABLES		
CURRENT		
Membership fee receivables (a)	290,121	500,946
Receivables from other reporting units	-	-
Less Provision for Doubtful Debts	-	-
	290,121	**500,946**

(a) Membership fee receivables represents the net amount after the amount payable to employers as consideration for payroll deductions of membership subscriptions estimated to be $32,236 (2014: $55,661)

NOTE 17: TICKETS ON HAND		
CURRENT		
Tickets	**21,876**	**6,290**
NOTE 18: CASH MANAGEMENT ACCOUNTS		
CURRENT		
Queensland Credit Union – Action	-	813
Queensland Credit Union – Moneymaker	2,495,665	1,917,609
	2,495,665	**1,918,422**
NOTE 19: OTHER ASSETS		
CURRENT		
Rental Property Debtors	92,711	51,966
Prepayments	1,037,461	926,843
	1,130,172	**978,809**
NOTE 20: PROPERTY, PLANT AND EQUIPMENT		
LAND & BUILDING (385 ST PAULS TERRACE)		
At Fair Value	9,015,943	9,015,943
Less accumulated depreciation	(155,686)	(77,730)
Total land and buildings	**8,860,257**	**8,938,213**
PLANT AND EQUIPMENT		
Air conditioners		
At cost	80,198	194,771
Less accumulated depreciation	(1,560)	(51,446)
	78,638	**143,325**
Computer equipment		
At cost	169,542	168,188
Less accumulated depreciation	(147,793)	(130,332)
	21,749	**37,856**
Furniture, fixtures and fittings		
At cost	1,010,650	1,010,650
Less accumulated depreciation	(510,779)	(420,525)
	499,871	**590,125**
Office equipment		
At cost	284,153	277,168
Less accumulated depreciation	(163,612)	(132,094)
	120,541	**145,074**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 20: PROPERTY, PLANT AND EQUIPMENT Continued

	2015	2014
Motor vehicles		
At cost	871,994	930,678
Less accumulated depreciation	(384,704)	(393,925)
	487,290	536,753
Total plant and equipment	**1,208,089**	**1,453,133**
Total property, plant and equipment	**10,068,346**	**10,391,346**

Movements in property, plant & equipment during the financial year were as follows:

	Land & Building $	Plant & Equipment $	Total $
Balance at the beginning of the year	8,938,213	1,453,133	10,391,346
Additions	-	273,981	273,981
Disposals	-	(213,461)	(213,461)
Revaluation increment/(decrement)	-	-	-
Depreciation expenses	(77,956)	(305,564)	(383,520)
Carrying amount at the end of the year	**8,860,257**	**1,208,089**	**10,068,346**

Measurement of fair value

	Level 1	Level 2	Level 3
Assets Measured at Fair Value			
385 St Pauls Terrace, Fortitude Valley	-	-	8,860,257
	-	**-**	**8,860,257**

Measurement of fair value

(i) Fair value hierarchy

The fair value of land and buildings was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the branch's head office property at least every three years.

The fair value measurement for the investment properties of $9,000,000 was determined at 30 June 2013 by T Gasiewski, Director and certified practicing valuer of CBRE, a registered independent appraiser having an appropriate recognised professional qualification in Australian Property Institute and recent experience in the location and category of the property being valued. The fair value measurements have been categorized as follows based on the inputs to the valuation technique used (see Note 1).

(ii) Level 3 fair value – valuation techniques and significant unobservable inputs

The following shows the valuation technique used in measuring the fair value of land and buildings, as well as the significant unobservable inputs used.

Primary Valuation technique

Capitalisation approach

The valuation model involves estimating the potential sustainable Gross Rental Income at passing and market rates and other income (e.g. car parking) of a similar property from which annual outgoings are deducted to derive the Net Income on a fully leased basis. This Net Income is then capitalised at an appropriate rate derived from analysis of comparable sales evidence. Adjustments to the capitalised value are then made for items including profit rent/shortfall derived from passing rents which are above or below market, letting up allowance over vacant areas including foregone rental and outgoings over the assumed letting up period and outstanding lease incentives including rent free periods and capital expenditure and refurbishments and make good allowances.

Secondary Valuation technique

Discount Cash Flow approach

The valuation model involves estimating the long term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon. Assumptions used include a target or pre-selected internal rate of return, rental growth, occupancy, sale price of the property at the end of the investment horizon, potential capital expenditure, costs associate with the initial purchase of the property, and also its disposal at the end of the investment period.

(a) Significant unobservable inputs

Full tenancy area – 1,767m2
Tenancy terms – 2 years
Passing rent/m2 - $450
Market rent/m2 - $450
Other income/m2 - $81
Outgoings/m2 - $114
Capitalised value – 8.25%
Passing capital adjustments - $15
Market capital adjustments - $15

(b) Inter-relationship between key unobservable inputs and fair value measurement

The higher the discount rate, yield and expected vacancy rate, the lower the fair value.

The higher the rental growth rate, the higher the fair value.

If land and buildings were measured using the cost model, the carrying amounts would be as follows:

	2015	2014
Cost	10,285,806	10,285,806
Less accumulated depreciation	(166,629)	(88,673)
Net Carrying amount	**10,119,177**	**10,197,133**

The revalued land and buildings consist of 1,474 sqm of land, Multi Purpose Building, and 40 car parking bays. Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property. Management have also reviewed the valuation conducted on 30 June 2013, and have determined that the valuation is true and fair for the financial year ended 30 June 2015.

NOTE 21: INVESTMENT PROPERTIES

At Fair Value	17,292,690	17,020,614
Additions at cost	7,308	510
Disposals	-	-
Revaluation increment/(decrement)	-	271,566
Total investment properties	**17,299,998**	**17,292,690**

Movements in the investment properties during the financial year were as follows:

	67 St Pauls Terrace	48-52 Jephson Street	Total
Balance at the beginning of the year	8,500,000	8,792,690	17,292,690
Additions	-	7,308	7,308
Disposals	-	-	-
Fair Value Adjustment (see below)	-	-	-
Carrying amount at the end of the year	**8,500,000**	**8,799,998**	**17,299,998**

Measurement of fair value

	Level 1	Level 2	Level 3
Assets Measured at Fair Value			
67 St Pauls Tce, Fortitude Valley	-	-	8,500,000
48 Jephson St, Toowong	-	4,134,939	-
52 Jephson St, Toowong	-	4,665,059	-
	-	**8,799,998**	**8,500,000**

(j) Fair value hierarchy

The fair value of investment properties was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the branch's investment property at least every three years.

The fair value measurement for the investment properties of $16,800,000 was determined at 30 June 2014 by T Gasiewski, Director and certified practicing valuer of CBRE, a registered independent appraiser having an appropriate recognised professional qualification in Australian Property Institute and recent experience in the location and category of the property being valued. The fair value measurements have been categorized as follows based on the inputs to the valuation technique used (see Note 1).

(ii) Level 2 fair value – valuation techniques and significant observable inputs

The following shows the valuation technique used in measuring the fair value of investment properties, as well as the significant observable inputs used.

Valuation technique

Direct Comparison approach

The valuation model involves assessing the value based on a direct comparison of dollar rates per square meter of land area, against current market data of similar properties. This approach takes into account market evidence, nature and condition of the property, location and development potential.

(a) Significant unobservable inputs

Land Area – 2,077 m2
Adopted rate/m2 range - $3,500 - $4,500 (weighted average $4,000)

(b) Inter-relationship between key unobservable inputs and fair value measurement

The higher the discount rate, yield and expected vacancy rate, the lower the fair value.
The higher the rental growth rate, the higher the fair value.

(iii) Level 3 fair value – valuation techniques and significant unobservable inputs

The following shows the valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Primary Valuation technique

Capitalisation approach

The valuation model involves estimating the potential sustainable Gross Rental Income at passing and market rates and other income (e.g. car parking) of a similar property from which annual outgoings as well as adjustments for vacancies are deducted to derive the Net Income. This Net Income is then capitalised at an appropriate rate derived from analysis of comparable sales evidence. Adjustments to the capitalised value are then made for items including profit rent/shortfall derived from passing rents which are above or below market, letting up allowance over vacant areas including foregone rental and outgoings over the assumed letting up period and outstanding lease incentives including rent free periods and capital expenditure and refurbishments and make good allowances.

Secondary Valuation technique

Discount Cash Flow approach

The valuation model involves estimating the long term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon. Assumptions used include a target or pre-selected rate of return, rental growth, occupancy, sale price of the property at the end of the investment horizon, potential capital expenditure, costs associate with the initial purchase of the property, and also its disposal at the end of the investment period.

(a) Significant unobservable inputs

Full tenancy area – 2,612m2
Vacancy area – 368m2
Tenancy terms – 3 years
Passing rent/m2 - $433
Market rent/m2 - $424
Other income/m2 - $51
Outgoings/m2 - $161
Vacancy/m2 - $448
Capitalised value – 9%
Passing capital adjustments - $1,034
Market capital adjustments - $930

(b) Inter-relationship between key unobservable inputs and fair value measurement

The higher the discount rate, yield and expected vacancy rate, the lower the fair value.

The higher the rental growth rate, the higher the fair value.

	2015	2014
NOTE 22: TRADE AND OTHER PAYABLES		
CURRENT		
Unsecured liabilities		
Trade creditors	55,185	32,419
Payables to other reporting units	-	-
Accrued Expenses	183,516	146,371
PAYG tax withholding	59,928	78,469
GST payable/(refundable)	162,119	198,647
Legal Costs	-	-
Superannuation	-	-
Employee Deductions	-	(190)
	460,747	**455,716**
NOTE 23: EMPLOYEE ENTITLEMENT PROVISIONS		
CURRENT		
Holders of Office:		
- Provision for Annual Leave	26,079	65,226
- Provision for Long Service Leave	119,370	126,539
- Provision for Separation & Redundancies	-	-
- Provision for Other Employee Provisions	-	-
	145,449	**191,765**
Employees other than Office Holders:		
- Provision for Annual Leave	454,654	433,322
- Provision for Long Service Leave	568,304	429,660-
- Provision for Separation & Redundancies	-	-
- Provision for Other Employee Provisions	-	-
	1,022,958	**862,983**
Provision for wage increase	-	-
	1,168,407	**1,054,747**
NON-CURRENT		
Holders of Office:		
- Provision for Long Service Leave	-	-
Employees other than Office Holders:		
- Provision for Long Service Leave	60,962	108,466
- Provision for Separation & Redundancies	-	-
- Provision for Other Employee Provisions	-	-
	1,229,369	**1,163,213**
NOTE 24: OTHER CURRENT LIABILITIES		
Prepaid Rent	22,554	12,905
Credit Facility	(32)	(12)
	22,522	**12,893**

NOTE 25: MORTALITY FUND

	2015	2014
Total at the beginning of the financial year	128,536	160,536
Mortality Funds Paid	(37,600)	(32,000)
Total at reporting date	**90,936**	**128,536**

NOTE 26: GENERAL FUND

Total at the beginning of the financial year	29,734,530	28,015,874
Net income/(loss) for the year	180,897	1,718,656
Total at the reporting date	**29,915,427**	**29,734,530**

NOTE 27: EQUITY

Mortality fund	90,936	128,536
General fund	29,915,427	29,734,530
Asset revaluation reserve	-	-
Total at the reporting date	**30,006,363**	**29,863,0660**

NOTE 28: CASH FLOW RECONCILIATION

(a) Reconciliation of cash flow from operations with Net profit attributable to the organisation:

Profit/(Loss) for the year	180,897	1,718,656
Non cash flows in profit		
Depreciation	383,520	427,362
Loss/(gain) on disposal of property, plant & equipment	146,053	32,243
Loss/(gain) on investment properties	-	(271,566)
(Increase)/decrease in receivables	158,716	87,155
(Increase)/decrease in tickets on hand	(15,585)	(1,647)
(Increase)/decrease in other assets	(110,618)	1,371
Increase/(decrease) in payables	(20,940)	13,611
Increase/(decrease) in employee provisions	66,345	(367,024)
Increase/(decrease) in prepaid rent	9,649	10,900
Increase/(decrease) in other liabilities	37,145	(43,562)
Increase/(decrease) in line of credit	(20)	(312)
Increase/(decrease) in mortality fund	(37,600)	(32,000)
Cash flows from operations	**797,562**	**1,575,189**

NOTE 28(a): CASH FLOW INFORMATION

Cash inflows		
SDA National	-	52,249
Total Cash inflows	**-**	**52,249**
Cash outflows		
SDA National	1,061,393	1,117,793
Total Cash outflows	**1,061,393**	**1,117,793**

NOTE 29: CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Branch has a contingent liability of $340,000 over its credit stand-by arrangements for autopay (2014: $340,000).

The Branch has a $1,500,000 Line of Credit with Commonwealth Bank. The facility was drawn down during the year and closing balance at 30 June 2015 is $32.

NOTE 30: COMMITMENTS

Lease Commitments Receivable

The Branch has commitments receivable related to tenancy agreements in its rental properties:

Less than one year	617,462	1,117,627
Greater than one year but less than two years	203,398	663,182
Greater than two years but less than five years	89,350	571,212
Greater than five years	-	-
	910,210	**2,352,021**

Commitments Payable

The Branch has commitments payable related to maintenance contracts for the head office:

Less than one year	31,848	80,348
Greater than one year but less than two years	18,096	-
Greater than two years but less than five years	54,288	-
Greater than five years	-	-
	104,232	**80,348**

NOTE 31: RELATED PARTY TRANSACTIONS

SDA National		
Affiliation Fees paid to	996,548	966,173
Revenue received from	-	(52,249)
Expenses paid to		
- ACTU IR Campaign Levy	34,524	35,798
- ALP Election Donation	-	41,512
- 100% Pay Week of Action	11,209	13,284
- Intranet	15,796	5,829
Employment Expenses Incurred on behalf of	-	52,249
Expenses Reimbursed	3,316	2,948
	1,061,393	**1,065,544**

The branch has not received any other financial support from another reporting unit of the organisation.

NOTE 32: NUMBER OF EMPLOYEES AT BALANCE DATE 64

NOTE 33: KEY MANAGEMENT PERSONNEL

The following were key management personnel of the Association during the financial year:

Name	Position
Chris Gazenbeek	Secretary/Treasurer
Justin Power	Assistant Secretary
Bob Stockwell	Administration Manager/Superannuation Officer

Key management personnel compensation to the Officers comprised:

Short-term employee benefits	321,734	58,210
Post-employment benefits	27,295	48,860
Total	**364,165**	**366,240**

2015	Chris Gazenbeek $	Justin Power $	Bob Stockwell $	Total $
Short-term employee benefits				
Salary (including annual leave taken AND termination payments)	103,535	54,927	78,063	236,525
Salary Sacrifice	-	-	7,600	7,600
Annual leave accrued during the year	2,787	2,620	4,416	9,823
Non-monetary benefits	34,689	18,406	14,691	67,786
Total short-term employee benefits	**141,011**	**75,953**	**104,770**	**321,734**
Post-employment benefits				
Superannuation	10,157	5,616	11,522	27,295
Total post-employment benefits	**10,157**	**5,616**	**11,522**	**27,295**
Other long-term benefits				
Long-service leave accrued during the year	3,814	4,633	6,689	15,136
Total other long-term benefits	**3,814**	**4,633**	**6,689**	**15,136**
Total	**154,982**	**86,202**	**122,981**	**364,165**

2014	Chris Gazenbeek $	Chris Ketter $	Bob Stockwell $	Total $
Short-term employee benefits				
Salary (including annual leave taken)	91,952	173,140	74,776	339,868
Salary Sacrifice	-	(8,400)	(8,920)	(17,320)
Annual leave accrued during the year	(2,133)	(22,999)	3,222	(21,910)
Non-monetary benefits	21,295	25,547	10,730	57,572
Total short-term employee benefits	**111,114**	**167,288**	**79,808**	**358,210**
Post-employment benefits				
Superannuation	8,851	17,013	22,996	48,860
Total post-employment benefits	**8,851**	**17,013**	**22,996**	**48,860**
Other long-term benefits				
Long-service leave accrued during the year	7,008	(49,570)	1,732	(40,830)
Total other long-term benefits	**7,008**	**(49,570)**	**1,732**	**(40,830)**
Total	**126,973**	**134,731**	**104,536**	**366,240**

NOTE 34: FINANCIAL RISK MANAGEMENT

a. Financial Risk Management Policies

The entity's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable.

The entity does not have any derivative instruments at 30 June 2015.

i. Treasury Risk Management

A finance committee consisting of senior committee members meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Foreign currency risk

The entity is not exposed to fluctuations in foreign currencies.

Liquidity risk

Liquidity risk is the risk that the Branch may encounter difficulties raising funds to meet commitments associated with financial instruments. The entity manages liquidity risk by monitoring forecast cash flows.

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 provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the entity.

There is no material amounts of collateral held as security at 30 June 2015.

Credit risk is managed by the entity and reviewed regularly by the finance committee. It arises from exposures to customers as well as through deposits with financial institutions.

The entity monitors the credit risk by actively assessing the rating quality and liquidity of counterparties:

- Only banks and financial institutions with an 'A' rating are utilised.
- The credit standing of counterparties is reviewed monthly for liquidity and credit risk.

(Financial Risk Management Policies ... See note b. below)

NOTE 34: FINANCIAL RISK MANAGEMENT

b. Financial Instruments Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Floating Interest Rate		Fixed Interest Rate Maturing		Non-interest Bearing		Total	
	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $
Financial assets								
Cash at bank	-	-	-	60,212	412,323	345,673	412,323	405,885
Trade and other receivables	-	-	-	-	382,832	552,911	382,832	552,911
Investments	-	-	2,495,665	1,918,423	-	-	2,495,665	1,918,423
Other & Stock	-	-	-	-	1,059,336	933,133	1,059,336	933,133
Total financial assets	**-**	**-**	**2,495,665**	**1,978,635**	**1,854,491**	**1,831,717**	**4,350,156**	**3,810,352**
Financial liabilities								
Trade and sundry payables	-	-	-	-	460,747	455,905	460,747	455,905
Business Facility	-	-	(32)	(12)	-	-	(32)	(12)
Total financial liabilities	**-**	**-**	**(32)**	**(12)**	**460,747**	**455,905**	**460,714**	**455,893**

SHOP DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION (QLD BRANCH)
FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2015

Sensitivity analysis:

Interest rate risk

The branch has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2015, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2015 $	2014 $
Change in profit		
- Increase in interest rate by 2%	49,913	39,573
- Decrease in interest rate by 2%	(49,913)	(39,573)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged. No sensitivity analysis has been performed for foreign exchange risk, as the branch is not exposed to fluctuations in foreign exchange.

c. Financing arrangements

The following financing facilities were available to the Branch at the end of the reporting period:

	2015 $	2014 $
Bank Overdraft		
Total facilities:	1,500,000	1,500,000
- Used at the end of the reporting period		-
- Unused at the end of the reporting period	1,500,000	1,500,000

NOTE 35: BRANCH DETAILS

The registered office of the Branch is:
SDA House
385 St Pauls Terrace
Fortitude Valley, QLD 4006

NOTE 36: PARENT ENTITY

SDAEA National Office is this Branch's parent entity.

NOTE 37: EVENTS OCCURRING AFTER BALANCE DATE

The following events occurred after 30 June 2015 and prior to the signing of the financial statements;

The sale of 48 Jephson Street and 52 Jephson Street, Toowong, was finalized and the settlement occurred on 31 July 2015. The total price of $11,500,000 less the deposit of $575,000 held in trust and adjustments for other settlement costs was paid at settlement, and the branch received a deposit of $11,224,306 on 31 July.

The event described above has significantly increased the cash funds held by Shop, Distributive and Allied Employees Association (Queensland Branch).

NOTE 38: GOING CONCERN

The branch's ability to operate as a going concern is not reliant on any agreed financial support of another reporting unit, nor has another reporting unit agreed to provide financial support.

End.

INDEPENDENT AUDITOR'S REPORT

To the members of Shop, Distributive and Allied Employees Association (Queensland Branch) Union of Employees

Report on the Financial Report

We have audited the accompanying financial report of Shop, Distributive and Allied Employees Association (Queensland Branch) Union of Employees, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee of Managements' declaration.

Committee of Management's Responsibility for the Financial Report

The Committee of Management are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting interpretations) 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.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 company'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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Shop, Distributive and Allied Employees Association (Queensland Branch) Union of Employees as at 30 June 2015, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).

Report on Other Legal and Regulatory Requirements

In our opinion:

A. the organisation has kept satisfactory accounting records for the financial period ended June 30, 2015, including records of:
   i. the sources and nature of the organisations' income including membership subscriptions and other income from members; and
   ii. the nature of and reasons for the organisations' expenditure;
B. the financial report for the period ended June 30, 2015 is properly drawn up to give a true and fair view of the organisations':
   i. financial affairs as at the end of the year; and
   ii. the income and expenditure and surplus or deficit for the year
C. the financial report has been prepared in accordance with the Industrial Relations Act 1999, Australian Accounting Standards and other mandatory professional reporting requirements
D. the financial disclosure statement and mid-year financial disclosure statement for the year were prepared under this Act; and
E. the organisation has the policies it is required to have under section 553A(1);

Where necessary, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Industrial Relations Act 1999 financial reporting requirements. As a result, the financial report may not be suitable for another purpose.

Declaration by the auditor

I Insert name of auditor declare the following:
1) I am a registered auditor;
2) I am a member of the Institute of Chartered Accountants in Australia; and
3) I hold a current Public Practice Certificate

BDO Audit Pty Ltd

P A Gallagher - Director

Brisbane, 4 September 2015

STATEMENT OF PROFIT & LOSS & OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 $	2014 $
INCOME			
Membership income		-	-
Other Income		-	-
Rental income		-	-
TOTAL INCOME		-	-
LESS EXPENSES			
Administration costs		-	-
Affiliation fees		-	-
Audit fees		-	-
Depreciation		-	-
Insurance		-	-
Legal costs		-	-
Postage		-	-
Printing and stationery		-	-
Salaries and wages			
- Officials		-	-
- Staff		-	-
Superannuation		-	-
TOTAL EXPENSES		-	-
PROFIT / (LOSS) BEFORE INCOME TAX		-	-
Income Tax Expense		-	-
PROFIT / (LOSS) FOR THE YEAR		-	-
Other Comprehensive Income/(Loss):		-	-
Net gain/(loss) on revaluation of property, plant and equipment		-	-
Other comprehensive income/(loss) for the year		-	-
Total other comprehensive income/(loss) for the year		-	-
Total comprehensive income attributable to the members of the organisation		-	-

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Notes	2015 $	2014 $
CURRENT ASSETS			
Cash and cash equivalents		-	-
Trade and other receivables		-	-
Other current assets		-	-
TOTAL CURRENT ASSETS		-	-
NON CURRENT ASSETS			
Property, plant and equipment		-	-
Investment properties		-	-
TOTAL NON CURRENT ASSETS		-	-
TOTAL ASSETS		-	-
CURRENT LIABILITIES			
Trade and other payables		-	-
Provision for employee benefits		-	-
Other Current Liabilities		-	-
TOTAL CURRENT LIABILITIES		-	-
NON CURRENT LIABILITIES			
Trade and other payables		-	-
Provision for long service leave		-	-
TOTAL NON CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		-	-
NET ASSETS		-	-
EQUITY			
Mortality fund		-	-
General fund		-	-
TOTAL EQUITY		-	-

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

	Mortality Fund $	General Fund $	Asset Revaluation Reserve $	Total $
Balance at 30 June 2013	-	-	-	-
Profit/(loss) attributable to the organisation	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-
Transfers to and from reserves				
- Asset Revaluation Reserve	-	-	-	-
- Mortality fund	-	-	-	-
Transfers from retained earnings	-	-	-	-
Sub-total	-	-	-	-
Balance at 30 June 2014	-	-	-	-
Profit/(loss) attributable to the organisation	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-
Transfers to and from reserves				
- Asset Revaluation Reserve	-	-	-	-
- Mortality fund	-	-	-	-
Transfers from retained earnings	-	-	-	-
Sub-total	-	-	-	-
Balance at 30 June 2015	-	-	-	-

STATEMENT OF CASH FLOWS AS AT 30 JUNE 2015

	Notes	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		-	-
Payments to suppliers and employees		-	-
Interest received		-	-
Other receipts		-	-
Interest and other costs of finance paid		-	-
Other payments		-	-
Net cash provided by operating activities		-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		-	-
Payments for investment properties		-	-
Payment for other non-current assets		-	-
Proceeds from investments		-	-
Net cash provided by investing activities		-	-
Net decrease in cash held		-	-
Cash at beginning of financial year		-	-
Cash at end of financial year		-	-

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Shop, Distributive and Allied Employees Association (Queensland Branch) Union of Employees is a state employees Union and is domiciled in Australia. The Union has no income, expenditure, assets or liabilities for the current financial year, therefore no accounts are disclosed for the period.

Basis of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Industrial Relations Act 1999. For the purpose of preparing the general purpose financial statements, the Shop, Distributive and Allied Employees Association (Queensland Branch) Union of Employees is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Comparative amounts

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

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES' ASSOCIATION (QLD BRANCH) UNION OF EMPLOYEES
FINANCIAL DISCLOSURE REPORT FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES Contd.

Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Measurement of fair values

A number of the Union's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Union has an established control framework with respect to the measurement of fair values. Significant fair value measurements are overseen and reviewed regularly, including unobservable inputs and valuation adjustments. If third party information is used to measure fair values, the Union assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of AASBs, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reviewed by the Union's Audit and Risk Committee.

When measuring the fair value of an asset or a liability, the Union uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Union recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

New Australian Accounting Standards

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the branch.

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

Future Australian Accounting Standards Requirements

The following new standards, amendments to standards and interpretations have been identified as those that may affect the branch on initial application. They have not been applied in preparing these financial statements.

i) AASB 15 Revenue from Contracts with Customers (applicable for reporting periods beginning on or after 1 January 2018); and
ii) AASB 9 Financial Instruments (applicable for reporting periods beginning on or after 1 January 2018).

The Union has yet to determine what impact, if any, that these standards will have on the financial statements of the branch.

Accounting Policies

(a) Revenue

Revenue is measured at the fair value of the consideration received or receivable. All revenue is stated net of the amount of goods and services tax (GST).

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the Union retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the Union. Proceeds from the disposal of non-current assets are stated net of carrying amounts.

Donation income is recognised when it is received.

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established.

(b) Employee Benefits

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

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

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

(c) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

(d) Cash and Cash Equivalents

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

(e) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(f) Financial Instruments

Recognition and Initial Measurement

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

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) Loans and receivables

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

(iii) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial liabilities at fair value through profit or loss

Financial liabilities are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial liabilities is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

(vi) Other Financial Liabilities

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

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

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Income Statement.

Critical accounting estimates and judgments

The Committee of Management evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union.

Key estimates impairment

The Union assesses impairment at each reporting date by evaluating conditions specific to the Union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is terminated. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(g) Contingent liabilities and contingent assets

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

(h) Property, Plant and Equipment

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

Property

Following initial recognition at cost, land and buildings are carried at fair value (being the amount which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction) less subsequent accumulated depreciation and accumulated impairment losses. Revaluations by external valuers are performed with periodically, but at least triennial, such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Committee of Management 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 been not discounted to present values in determining recoverable amounts.

The cost of fixed assets constructed includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Union and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they occurred.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES Contd.

Significant accounting judgements and estimates Contd.

Revaluations

Increments in the valuation of property plant & equipment are recognised in the asset revaluation reserve. Any decrements in the valuation of a class of property, plant & equipment are recognised in the asset revaluation reserve up to the amount of previous valuation increments. Any excess decrement is recognised in the income statement.

Increments and decrements in the valuation of land and buildings held as investments properties are recognised in the income statement in the period in which they arise.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated using the straight line and diminishing value methods over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets' residual value and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

The depreciation rates used for each class of depreciable assets are:

Motor Vehicles	25%	Diminishing value
Computer Equipment	50% - 66.67%	Diminishing value
Computer Software	25% - 40%	Straight line
Furniture, Fixtures & Fittings	6.67% - 50%	Diminishing value
Office Equipment	20% - 40%	Diminishing value
Land & Buildings	2.5%	Straight line

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

The assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

(i) Impairment of Assets

At each reporting date, the Union reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and the value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over it recoverable amounts is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimate the recoverable amount of the cash generating unit to which the asset belongs.

(j) Taxation & Goods and Services Tax (GST)

The income of the Union is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

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

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

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

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS

i) A member of an industrial organisation or the registrar at a member's request, may apply to the organisation for the information prescribed in a regulation.

ii) The industrial organisation must give the applicant the information requested in the application in the time and way prescribed under a regulation.

iii) If the registrar applies for a member, the registrar must give the member all information given to the registrar from the organisation.

NOTE 3: DUAL MEMBERSHIP

In accordance with Rule 23 of the National rules, members of the Shop, Distributive and Allied Employees (Queensland Branch) Union of Employees who is a financial member, will be deemed to be members of the Shop, Distributive and Allied Employees (Queensland Branch).

NOTE 4: REMUNERATION & BENEFITS FOR HIGHEST PAID OFFICERS

The Union registered pursuant to the Industrial Relations Act 1999 as defined at section 409 does not pay any salary or wages, nor does it direct, elect or otherwise authorise any officer or member of the Committee of Management to serve or represent the union on any board, council or post for which a benefit, financial or non-financial, is received or paid.

The following were key management personnel of the Association during the financial year:

Name	Position
Chris Gazenbeek	Secretary/Treasurer
Justin Power	Assistant Secretary
Bob Stockwell	Administration Manager/Superannuation Officer
David Wagner	Recruitment Coordinator

Key management personnel compensation to the Officers comprised:

Short-term employee benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Total	-	-

NOTE 5: FINANCIAL REGISTERS

In accordance with section 557 of the Industrial Relations Act 1999, the following registers are required to be kept under division 2A of Part 12 of Chapter 12 of the Act are published online as follows;

a) Register of Gifts, Hospitality and Benefits
www.sdaq.asn.au
b) Register of Political Spending
www.sdaq.asn.au
c) Register of Credit Card and Cab Charge account spending
www.sdaq.asn.au
d) Register of loans, grants and donations
www.sdaq.asn.au

NOTE 6: SPENDING FOR POLICITICAL PURPOSES

As the Union had no accounts for the financial year, therefore no spending for political purposes has occurred.

NOTE 7: POLITICAL PARTY AFFILIATION FEES

The Shop, Distributive and Allied Employees (Queensland Branch) Union of Employees is affiliated with the Australian Labour Party (ALP). As the organisation had no accounts for the financial year, therefore no payments have been made for political party affiliations.

2015	**C Gazenbeek $**	**J Power $**	**R Stockwell $**	**D Wagner $**	**Total $**
Short-term employee benefits					
Salary (including annual leave taken & termination payments)	-	-	-	-	-
Salary Sacrifice	-	-	-	-	-
Annual leave accrued during the year	-	-	-	-	-
Non-monetary benefits	-	-	-	-	-
Total short-term employee benefits	-	-	-	-	-
Post-employment benefits					
Superannuation	-	-	-	-	-
Total post-employment benefits	-	-	-	-	-
Other long-term benefits					
Long-service leave accrued during the year	-	-	-	-	-
Total other long-term benefits	-	-	-	-	-
Total	-	-	-	-	-

2014	**C Gazenbeek $**	**C Ketter $**	**R Stockwell $**	**D Wagner $**	**Total $**
Short-term employee benefits					
Salary (including annual leave taken & termination payments)	-	-	-	-	-
Salary Sacrifice	-	-	-	-	-
Annual leave accrued during the year	-	-	-	-	-
Non-monetary benefits	-	-	-	-	-
Total short-term employee benefits	-	-	-	-	-
Post-employment benefits					
Superannuation	-	-	-	-	-
Total post-employment benefits	-	-	-	-	-
Other long-term benefits					
Long-service leave accrued during the year	-	-	-	-	-
Total other long-term benefits	-	-	-	-	-
Total	-	-	-	-	-

NOTE 8: FINANCIAL POLICIES

As the Union had no accounts for the financial year, therefore no financial policies were required as there was no financial activity during the year. However the organisation does have policies in place regarding the following;

1. Receipt of sponsored hospitality benefits by its officers or employees from other entities
   - Gifts and Hospitality Policy
   - The SDA is committed to ensuring that its decision making and processing are above reproach. As such, the SDA discourages the acceptance of gifts or hospitality in order to avoid any perception that the SDA's decision making processes could be influenced by this. The purpose of this policy is to ensure that the reputation of the SDA is protected and its integrity is not undermined by a perception that the Union is not impartial. This policy applies to all employees of the Queensland Branch. This policy relates to all hospitality in the form of free or discounted accommodation, meals, or entertainment, including tickets to events.
   - Policy Adopted: 7th November 2013
   - Policy Reviewed: February 2014
2. Receipt of entertainment and hospitality
   - Gifts and Hospitality Policy
   - The SDA is committed to ensuring that its decision making and processing are above reproach. As such, the SDA discourages the acceptance of gifts or hospitality in order to avoid any perception that the SDA's decision making processes could be influenced by this. The purpose of this policy is to ensure that the reputation of the SDA is protected and its integrity is not undermined by a perception that the Union is not impartial. This policy applies to all employees of the Queensland Branch. This policy relates to all hospitality in the form of free or discounted accommodation, meals, or entertainment, including tickets to events.
   - Policy Adopted: 7th November 2013
   - Policy Reviewed: February 2014
3. Receipt of, and disposing of gifts
   - Gifts and Hospitality Policy
   - The SDA is committed to ensuring that its decision making and processing are above reproach. As such, the SDA discourages the acceptance of gifts or hospitality in order to avoid any perception that the SDA's decision making processes could be influenced by this. The purpose of this policy is to ensure that the reputation of the SDA is protected and its integrity is not undermined by a perception that the Union is not impartial. This policy applies to all employees of the Queensland Branch. This policy relates to all hospitality in the form of free or discounted accommodation, meals, or entertainment, including tickets to events.

NOTE 8: FINANCIAL POLICIES Contd.

- Policy Adopted: 7th November 2013
- Policy Reviewed: February 2014

NOTE 9: OFFICERS' FINANCIAL MANAGEMENT TRAINING

As the Union had no accounts for the financial year, no officers were required to complete financial management training.

NOTE 10: UNION DETAILS

The registered office of the Union is:

SDA House
385 St Pauls Terrace
Fortitude Valley, QLD 4006

NOTE 11: EVENTS OCCURRING AFTER BALANCE DATE

No events occurred after 30 June 2015 and prior to the signing of the financial statements.

**CERTIFICATE BY ACCOUNTING OFFICER OF UNION
FOR PERIOD ENDED 30 JUNE 2015**

I, Christopher Gazenbeek, hereby certify:-

(a) I am the officer responsible for the keeping of the accounting and other records of the Shop, Distributive and Allied Employees (Queensland Branch) Union of Employees for the twelve months ended 30 June 2015;

(b) The number of persons at the end of the financial period to which this financial report relates, who were members of the union, was 31,199 with 31,199 financial and zero non-financial.

(c) In respect of that financial year, in my opinion:

i) that the organisation has no accounts and therefore the accompanying financial report shows a true and fair view of the financial affairs of the Union as at the end of that financial period;

ii) no record has been kept of members payments as the organisation has no accounts;

iii) expenditure approvals are in accordance with the rules of the Union, however the organisation has no accounts;

iv) no payment was made out of an account for a purpose as the organisation has no accounts;

v) no loans or other financial benefits were granted as the organisation has no accounts;

vi) the register of members of the Union was maintained in accordance with the Act.

CHRISTOPHER GAZENBEEK
Accounting Officer

Dated at Brisbane this 4th day of September 2015

CERTIFICATE BY THE COMMITTEE OF MANAGEMENT
FOR PERIOD ENDED 30 JUNE 2015

1) In the opinion of the Committee of Management of the Shop, Distributive and Allied Employees (Queensland Branch) Union of Employees the accompanying financial report of the Union for the year ended 30 June 2015 was prepared in accordance with the requirements of the Industrial Relations Act 1999 so as to show a true and fair view of the financial affairs of the Union at the end of that financial period. Furthermore, the Shop, Distributive and Allied Employees (Queensland Branch) Union of Employees has no accounts for the year ended 30 June 2015.

(2) The Union was, in the opinion of the Committee, solvent during the whole of the financial period.

(3) During the financial period, meetings of the Committee of Management were, in the opinion of the Committee, held in accordance with the rules of the Union.

(4) To the knowledge of any members of the Committee, there have been no instances during the financial year where records of the Union or other documents, or copies of these records or other documents of the Union, have not been furnished or made available to members of the Union in accordance with the Industrial Relations Act 1999, its Regulations and the Rules of the Union.

(5) The Union has complied with the requirements of the Act in relation to the financial report and auditors report for the financial period immediately preceding the current financial year.

This certificate is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee

JOHN JOSEPH HOGG
Union President

Dated at Brisbane this 4th day of September 2015

CHRISTOPHER GAZENBEEK
Union Secretary - Treasurer

Dated at Brisbane this 4th day of September 2015

SHOP DISTRIBUTIVE & ALLIED EMPLOYEES' ASSOCIATION (QLD BRANCH) UNION OF EMPLOYEES
FINANCIAL DISCLOSURE REPORT FOR THE YEAR ENDED 30 JUNE 2015

End.