SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH

ABN 36 153 379 383

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
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SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION NEWCASTLE AND NORTHERN BRANCH

2025 OPERATING REPORT

Membership of the Newcastle and Northern Branch of the Association as at 30 June 2025 was 12,908.

There were no persons who were, at the end of the financial year to which the report relates, employees of the Branch.

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation scheme or superannuation entity where the criterion for holding such position is that they are an officer or member of a registered organisation.

The finances of the Branch are stable and there were no significant changes in the Branch's financial affairs during the year.

Persons eligible to do so under the rules of the Association were actively encouraged to join the Association. Persons join or resign through the Newcastle and Northern Branch of the Association in accordance with Branch Rules 25 and 25A.

The members of the Committee of Management of the Branch for the relevant period were:

Branch President	-	Garry Luxton
Branch Vice President	-	Robyn McGuire
Branch Vice President	-	Troy Coggan
Branch Secretary-Treasurer	-	David Bliss
Branch Assistant Secretary	-	Debra Dunning
Committee of Management	-	Ross Simmons
	-	Lyn Wiebe – resigned 31 January 2025
	-	Leanne Farrell
	-	Esyrahlyn Frost – resigned 26 August 2024
	-	Jane Crotty
	-	Curtis Morris
	-	Heather Anderson – appointed 26 August 2024 – resigned 16 December 2024
	-	Violeta Rakocevic – appointed 16 December 2024
	-	Emily Dick – appointed 24 March 2025

The Branch maintained its industrial awards and agreements at a high, up-to-date standard.

New Enterprise Agreements have been negotiated and concluded during 2024 – 2025 with a wide range of employers including Kmart, Coles Supermarkets, Coles Liquor Group, Freedom Furniture, Officeworks, H&M, Luxottica, Aldi, Krispy Kreme, Sephora and others. New agreements are currently being negotiated, rolled out or voted on in Endeavor Drinks (Dan Murphy's and BWS), Jaycar, RTM, Hungry Jacks, Tasty Fresh and Prouds amongst others.

Several tranches of new federal industrial legislation passed and commencing during the first term of the Albanese Government have been of significant assistance in bringing employers back to the bargaining table to improve the wages and working conditions of our members. The Branch is utilising these new laws to persuade or require McDonalds to return to bargaining as part of multiple supported bargaining applications. The Branch is also more actively using majority support bargaining laws to advocate for Managers and Assistant Managers working for the Reject Shop who have previously been excluded from bargaining.

The Association's advocacy in conjunction with the Australian Council of Trade Unions has helped deliver a 13.6% increase in minimum award wages in the last 3 years as part of the Annual Wage Review. This is in addition to a 1.5% increase in compulsory superannuation contributions during the same period.

The Branch continues to conduct new and current Delegate training on a regular basis and updated the training content to cover new statutory Delegate rights, sexual harassment, work health and safety, dispute resolution at the Fair Work Commission (including a site visit), casual rights, and wages and productivity.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION
NEWCASTLE AND NORTHERN BRANCH

2025 OPERATING REPORT CONTINUED

During the relevant period the Branch represented and/or assisted its members in industrial matters at the workplace, including workplace disputes, representing members in disciplinary and investigative matters, workplace harassment, bullying, sexual harassment, underpayments, workplace health and safety, workers compensation and unfair/unlawful dismissals.

The Branch actively pursued industrial and socio-economic campaigns in the members' interests regarding access to justice resulting in the preservation of the Fair Work Commission and an ongoing presence of the NSW Industrial Relations Commission in Newcastle, junior rates discrimination, social and affordable housing and renters' rights, five weeks annual leave, public holiday entitlements and retail trading hours, superannuation on every dollar, customer abuse and violence and others.

In 2024 the Branch launched a Youth Steering Committee to advise the Committee of Management and drive campaigns and issues on behalf of members under the age of 25 years. This is not a formal body made under the Rules.

The Association is affiliated to the Australian Council of Trade Unions.

The Branch Secretary is an executive member of Unions NSW and a member of the Administrative Committee of the NSW Branch of the Australian Labor Party.

The Newcastle and Northern Branch maintained its rules and reported according to statutory requirements.

A magazine is produced, a link is emailed to members of the Branch, and it is also posted on the Union's website. Periodic information bulletins are posted/emailed to members, Delegates and workplaces as relevant. Emails are sent to members regarding various industrial issues, campaign updates, bargaining, wage increases, surveys, services and benefits and union campaign issues semi-regularly. Text messages are also sent to members to encourage them to attend meetings, read emails and participate in Union activities.

The Branch maintains and regularly updates a comprehensive website and social media platforms, including Facebook and Instagram.

The Branch produces a range of publications for its members including on such matters as Workplace Health and Safety, Workers Compensation, Equal Opportunity, Superannuation, Sexual Harassment, Young Workers, Your Rights to Breaks, Your Rights to be paid for all time worked, Your Right to be safe from Bullying, Casual Employee Rights, Your Rights to Payslips, Women's and Family issues, Union Membership Induction Packs and others.

Signed: ______________________ Dated: 25 August 2025

David Bliss
Designated Officer

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
ABN 36 153 379 383

COMMITTEE OF MANAGEMENT STATEMENT

On 25 August 2025 the Committee of Management of Shop, Distributive and Allied Employees' Association, Newcastle and Northern Branch ("reporting unit"), passed the following resolution in relation to the general purpose financial report of the reporting unit for the year ended 30 June, 2025.

The Committee of Management declares that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;

(b) the financial statements and notes comply with the reporting guidelines of the General Manager;

(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;

(e) during the financial year to which the general purpose financial report relates and since the end of that year:

i. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
v. where information has been sought in any request by a member of the reporting unit or the General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; and
vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Committee of Management: David Bliss
Title of Office Held: Designated Officer

Signed: ____________________

Dated: 25 August 2025

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
ABN 36 153 379 383

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 $	2024 $
Revenue	**2**	549,389.11	554,349.09
Total revenue		549,389.11	554,349.09
Administration expenses		(320.91)	(457.27)
Affiliation fees		(462,835.67)	(450,266.70)
Management expenses		(54,938.91)	(55,434.90)
Other expenses		(41,748.82)	(38,744.34)
Total expenses		(559,844.31)	(544,903.21)
Profit (loss) before income tax		(10,455.20)	9,445.88
Income tax expense		-	-
Profit (loss) for the year		(10,455.20)	9,445.88
Other comprehensive income for the year		-	-
Total comprehensive income (loss) attributable to members of the entity		(10,455.20)	9,445.88

The accompanying notes form part of these financial statements.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
ABN 36 153 379 383

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	2025 $	2024 $
ASSETS			
CURRENT ASSETS			
Cash on hand	**4**	533,656.30	564,025.14
Other current assets	**6**	240,055.74	222,779.93
TOTAL CURRENT ASSETS		773,712.04	786,805.07
TOTAL ASSETS		773,712.04	786,805.07
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	**7**	10,927.97	13,565.80
TOTAL CURRENT LIABILITIES		10,927.97	13,565.80
TOTAL LIABILITIES		10,927.97	13,565.80
NET ASSETS		**762,784.07**	**773,239.27**
EQUITY			
Retained earnings		762,784.07	773,239.27
TOTAL EQUITY		**762,784.07**	**773,239.27**

The accompanying notes form part of these financial statements.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
ABN 36 153 379 383

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Retained Earnings $	Total $
Balance at 1 July 2023	763,793.39	763,793.39
Comprehensive income		
Profit for the year	9,445.88	9,445.88
Total comprehensive income for the year attributable to members of the association	9,445.88	9,445.88
Balance at 30 June 2024	773,239.27	773,239.27
Balance at 1 July 2024	773,239.27	773,239.27
Comprehensive income		
Profit (loss) for the year	(10,455.20)	(10,455.20)
Total comprehensive income for the year attributable to members of the association	(10,455.20)	(10,455.20)
Balance at 30 June 2025	762,784.07	762,784.07

The accompanying notes form part of these financial statements.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
ABN 36 153 379 383

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from memberships (inclusive of GST)		604,328.02	609,784.00
Payments to suppliers (inclusive of GST)		(634,696.86)	(590,197.32)
Net cash provided by (used in) operating activities	**17**	(30,368.84)	19,586.68
Net cash provided by investing activities		-	-
Net cash provided by financing activities		-	-
Net increase (decrease) in cash held		(30,368.84)	19,586.68
Cash on hand at beginning of financial year		564,025.14	544,438.46
Cash on hand at end of financial year	**17**	533,656.30	564,025.14

The accompanying notes form part of these financial statements.

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
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REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 30 JUNE 2025

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2025.

	2025 $	2024 $
Categories of expenditure		
Remuneration and other employment-related costs and expenses - employees	-	-
Advertising	-	-
Operating costs	55,259.82	55,892.17
Donations to political parties	-	-
Legal costs	-	-
Other expenses		
- Affiliation fees	462,835.67	450,266.70
- National IT fund contribution	41,748.82	38,744.34
Total expenses	559,844.31	544,903.21

Signed: ______________________

David Bliss
Designated Officer

Dated: 25 August 2025

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

The financial statements cover Shop, Distributive And Allied Employees' Association, Newcastle And Northern Branch as an individual entity. Shop, Distributive And Allied Employees' Association, Newcastle And Northern Branch is an association incorporated in New South Wales and operating pursuant to the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The financial statements were authorised for issue on 25 August 2025 by the members of the committee.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities, as explained in the accounting policies below. The financial statements are presented in Australian dollars.

(a) Income Tax

The Shop, Distributive and Allied Employees' Association, Newcastle and Northern Branch is an exempt body for income tax purposes.

(b) Fair Value of Assets and Liabilities

The association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the association would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(c) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in paragraph 63 of AASB 15: Revenue from Contracts with Customers.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:
- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:
- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:
- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:
- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

on the basis of the two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:
- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

The association initially designates a financial instrument as measured at fair value through profit or loss if:
- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so as the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the association made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investments will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the association's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:
- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the association no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The association recognises a loss allowance for expected credit losses on:
- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:
- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The association uses the following approaches to impairment, as applicable under AASB 9:
- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Group assessed whether the financial instruments are credit impaired, and if:
- the credit risk of the financial instrument increased significantly since initial recognition, the Group measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- there was no significant increase in credit risk since initial recognition, the Group measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:
- trade receivables or contract assets that results from transactions that are within the scope of AASB 15: Revenue from Contracts with Customers, that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc.).

Purchased or originated credit impaired approach
For a financial asset that is considered to be credit impaired (not on acquisition or originations), the Group measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:
- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- it is probable the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach
If a financial asset is determined to have low credit risk at the initial reporting date, the association assumed that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the association applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:
- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements
At each reporting date, the association recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(d) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting year are classified as current assets. All other receivables are classified as non-current assets.

(e) Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(f) Revenue

The association enters into various arrangements where it receives consideration from another party. These arrangements can include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the association has a contract with a member or customer, the association recognises revenue when or as it transfers control of goods or services to the member or customer. The association accounts for an arrangement as a contract with a member or customer if the following criteria are met:

• the arrangement is enforceable; and

• the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the member or customer (or to other parties on behalf of the member or customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions
Membership subscriptions are consideration received by the association from members in accordance with the rules that enables the entity to further its objectives as set out in the rules. The association recognises each of these amounts of consideration as income for the period of membership it represents based on the rights and obligations of members.

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

If there is only one distinct membership service promised in the arrangement, the association recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the association's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the association allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the association charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the association recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the association has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the association at their standalone selling price, the association accounts for those sales as a separate contract with a customer.

Income of the Association as a Not-for-Profit Entity

Consideration is received by the association to enable the entity to further its objectives. The association recognises each of these amounts of consideration as income when the consideration is received (which is when the association obtains control of the cash) because, based on the rights and obligations in each arrangement:
• the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
• the association's recognition of the cash contribution does not give rise to any related liabilities.

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

(g) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting year for goods and services received by the association during the reporting year that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Comparative Figures

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

(j) Critical Accounting Estimates and Judgements

The committee evaluates estimates and judgements incorporated into the financial statements 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 association.

(k) New and Amended Accounting Policies Not Yet Adopted by the Association

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The association has decided not to early adopt any of the new and amended pronouncements for future reporting periods, as they do not consider any of these applicable to the entity.

(l) New and Amended Accounting Policies Adopted by the Association

The accounting policies adopted are consistent with those of the previous financial year except for the following amendments to accounting standards and other changes in accounting policy, which have been adopted for the first time this financial year:

AASB 2010-1: Amendments to Australian Accounting Standards - Classification of liabilities as Current or Non-current

The Association adopted AASB 2010-1 which amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It also clarifies the meaning of "settlement of a liability".

The adoption of the amendment did not have a material impact on the financial statements.

The Association has adopted all amendments required for the year ended 30 June 2025. The adoption of these amendments did not have a material impact on the financial statements.

		2025 $	2024 $
2. REVENUE AND OTHER INCOME			
Revenue from members and customers	**(i)**	549,389.11	554,349.09
(i) The association has disaggregated revenue into the categories below			
Members Contributions		549,389.11	554,349.09
		549,389.11	554,349.09

The reporting unit has not received any amounts for the following items of revenue for either the current or prior reporting years:

a) Capitation fees from another reporting unit of the organisation;

b) Compulsory levies raised from the members or as appeals for voluntary contributions (including whip arounds) for the furtherance of a particular purpose;

c) Donations or grants;

d) Revenue from recovery of wages activity;

e) Any other financial support from another reporting unit of the organisation.

3. EXPENSES

The reporting unit discloses balances for the following items of expense for the current reporting year (prior reporting year stated in brackets if applicable):

a) Affiliation fees (to other reporting unit):
i. Shop, Distributive & Allied Employees' Association (National Office) - $402,465.80 (2024: $391,536.26)

ii. Shop, Distributive & Allied Employees' Association (International Fund) - $60,369.87 (2024: $58,730.44);

b) Compulsory levies imposed on the reporting unit:
i. Shop, Distributive & Allied Employees' Association (National Office): IT Fund Contribution - $41,748.82 (2024: $38,744.34)

The reporting unit has not paid any amounts for the following expense items for either the current or prior reporting years:

a) Expenses incurred as consideration for employers making payroll deductions of membership subscriptions;

b) Capitation fees to another reporting unit of the organisation;

c) Fees and periodic subscriptions paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters;

	2025	2024
	$	$

d) Grants or donations:
All grants or donations are disclosed under Note 3A. Grants or donations.

e) Employee expenses related to holders of office of the reporting unit;

f) Employee expenses related to employees (other than holders of offices) of the reporting unit;

g) Fees and/or allowances paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings;

h) Expenses (other than expenses included in an amount referred to elsewhere in this paragraph) incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible;

i) Legal costs and other expenses related to:
i. Litigation; and
ii. Other legal costs;

j) Penalties imposed on the organisation under the RO Act and the Fair Work Act 2009.

3A. GRANTS OR DONATIONS

	2025	2024
Grants:	$	$
Total paid that were $1,000 or less	-	-
Total paid that exceeded $1,000	-	-
Donations:		
Total paid that were $1,000 or less	-	-
Total paid that exceeded $1,000	-	-
Total grants or donations	-	-

4. CASH ON HAND

	2025	2024
Cash at Bank	533,656.30	564,025.14

	2025 $	2024 $

5. ACCOUNTS RECEIVABLE AND OTHER DEBTORS

No accounts receivable or other debtors have been derived in the current reporting year (or prior reporting year) as a result of one or more transactions and/or past events with another reporting unit of the organisation.

6. OTHER CURRENT ASSETS

	2025 $	2024 $
CURRENT		
Prepaid Affiliation Fees	240,055.74	222,779.93

7. ACCOUNTS PAYABLE AND OTHER PAYABLES

	2025 $	2024 $
CURRENT		
Other Creditors	10,927.97	13,565.80

No accounts payable or other payables have been derived in the current reporting year (or prior reporting year) as a result of one or more transactions and/or other past events with another reporting unit of the organisation.

8. OTHER LIABILITIES

The reporting unit does not have any of the following items recorded as liabilities at the end of either the current or prior reporting years:

a) Payables to employers as consideration for the employers making payroll deductions of membership subscriptions;

b) Payables in respect of legal costs and other expenses related to:
i. Litigation; and
ii. Other legal costs;

c) Employee provisions in respect of holders of offices in the reporting unit;

d) Employee provisions in respect of employees (other than holders of offices) of the reporting unit.

9. CONTINGENT LIABILITIES

The Committee of Management are not aware of any contingent liabilities that are likely to have a material effect on the association.

10. EVENTS AFTER THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in subsequent financial periods.

	2025 $	2024 $

11. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2025 $	2024 $
i Membership Contributions		
Membership contributions are received from the Shop Assistants and Warehouse Employees' Federation of Australia, Newcastle and Northern, New South Wales	549,389.11	554,349.09
ii Management Fees		
Management fees are paid to the Shop Assistants and Warehouse Employees' Federation of Australia, Newcastle and Northern, New South Wales	54,938.91	55,434.90
iii Affiliation Fees		
Affiliation fees are paid to the Shop, Distributive and Allied Employees' Association National and International Fund		
- Expense 2025 year	462,835.67	450,266.70
- Prepayment at 30/06/2025	240,055.74	222,779.93
iv Remuneration of the Committee of Management		
There were no transactions with, or remuneration paid, to the members of the Committee of Management	-	-
v Accounts Payable		
The following amounts are payable to the Shop Assistants and Warehouse Employees' Federation of Australia, Newcastle and Northern, New South Wales, at the end of the reporting year	-	6,446.72
vi Compulsory Levies - IT Fund Contribution		
IT Fund contribution levies are paid to the Shop, Distributive and Allied Employees' Association National Fund	41,748.82	38,744.34

12. OPERATING SEGMENTS

Segment Reporting

The Shop, Distributive and Allied Employees' Association, Newcastle and Northern Branch operates predominately in one business and geographical segment being the representation of members in industrial matters in Newcastle and Northern New South Wales.

13. FINANCIAL RISK MANAGEMENT

The branch's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and loans from subsidiaries, bills and leases, preference shares and derivatives.

The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	Note	2025 $	2024 $
Financial Assets			
Financial assets at amortised cost:			
Cash and cash equivalents	4	533,656.30	564,025.14
Financial Liabilities			
Trade and other payables		10,927.97	13,565.80
Total Financial Liabilities		10,927.97	13,565.80

Financial Risk Management Policies

The association's treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The treasurer monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, financial risk and interest rate risk. The committee of management discusses at their meetings the monitoring and management of the financial risk exposures.

The Treasurer's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Specific Financial Risk Exposures and Management

The main risks the association is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the association is exposed to, how these risks arise, or the Committee's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Credit risk arises from the cash assets held.

The branch's holding of cash assets is only held by the Commonwealth Bank of Australia, therefore the cash assets are deemed to have limited credit risk.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the finance committee has otherwise cleared as being financially sound.

	2025	2024
	$	$

Credit risk exposures
The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as reported in the statement of financial position.

(b) Liquidity Risk
Liquidity risk arises from the possibility that the branch might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The branch manages this risk through the following mechanisms:

- monitoring its cash flow on a weekly basis to ensure adequate funds are available to meet expenditure requirements; and
- only holding cash with major financial institutions;

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The association does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates.

Financial liability and financial asset maturity analysis

	Within 1 Year	
Financial liabilities due for payment		
Trade and other payables	10,927.97	13,565.80
Total contractual outflows	10,927.97	13,565.80
Total expected outflows	10,927.97	13,565.80
Financial assets - cash flows realisable		
Cash on hand	533,656.30	564,025.14
Total anticipated inflows	533,656.30	564,025.14
Net (outflow)/inflow on financial instruments	522,728.33	550,459.34

(c) Market risk
Interest rate risk
Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The branch does not have any long term borrowings. The branch's interest rate risks arise from cash assets. The branch's payables are non interest bearing.

The association also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

	2025	2024
	$	$

The impact of interest rate risk on cash has been considered and is deemed to be immaterial.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities approximate the carrying values of the financial assets and financial liabilities as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

14. ASSOCIATION DETAILS

The registered office and principal place of business of the association is:

Shop, Distributive And Allied Employees' Association, Newcastle And Northern Branch
Level 1, 710 Hunter Street

Newcastle West NSW 2302

15. NOTICE REQUIRED UNDER SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

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

Information to be provided to members or the General Manager:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	$	$

16. OTHER DISCLOSURE REQUIREMENTS UNDER SECTION 253 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

The reporting unit makes the following disclosures that are relevant for the current and prior reporting years:

General requirements for presentation and disclosures

(1) The reporting unit's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit(s).

(2) The reporting unit has not agreed to provide financial support to ensure another reporting unit(s) has the ability to continue as a going concern.

(3) The reporting unit has not acquired an asset or a liability during the financial period as a result of:

a) An amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or

b) A restructure of the branches of the organisation; or

c) A determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or

d) A revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1).

Statement of changes in equity

a) There are no additional funds or accounts operated (other than the general fund);

b) There has been no transfer(s) and/or withdrawal(s) to/from a fund, account or controlled entity (other than the general fund).

Additional reporting requirements

a) The reporting unit's financial affairs are not administered by another entity.

b) The reporting unit has not made any payments during the reporting period to a former related party, where the liability was incurred during the period in which a related party relationship existed.

c) The reporting unit does not control any other entities.

17. CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash on hand at the end of financial year as included in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2025 $	2024 $
Cash at Bank	533,656.30	564,025.14
	533,656.30	564,025.14

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

	2025 $	2024 $
(b) Reconciliation of cash flow from operating activities with net current year profit		
Current year profit after income tax	(10,455.20)	9,445.88
Changes in assets and liabilities:		
Increase/(decrease) in other creditors	(2,637.83)	5,433.97
(Increase)/decrease in prepayments	(17,275.81)	4,706.83
Net cash provided by (used in) operating activities	(30,368.84)	19,586.68

(c) Cash inflows/outflows with related parties

All cash flows with Related Parties (if applicable) are disclosed under Note 11. Related Party Transactions.

(d) Cash inflows/outflows with other reporting units

Cash flow to Shop, Distributive & Allied Employees' Association (National Office) - $505,160.76 (2024: $468,806.52)

Cash flow to Shop, Distributive & Allied Employees' Association (International Fund) - $68,885.56 (2024: $63,928.16)

Cash flow to/(from) other reporting units - $0 (2024: $0)

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
ABN 36 153 379 383

STATEMENT BY MEMBERS OF THE COMMITTEE

In accordance with a resolution of the committee of Shop, Distributive And Allied Employees' Association, Newcastle And Northern Branch, the members of the committee declare that the financial statements as set out on pages 5 to 28:

1. present a true and fair view of the financial position of Shop, Distributive And Allied Employees' Association, Newcastle And Northern Branch as at 30 June 2025 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Standards Board and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and

2. at the date of this statement there are reasonable grounds to believe that Shop, Distributive And Allied Employees' Association, Newcastle And Northern Branch will be able to pay its debts as and when they fall due.

This statement is signed for and on behalf of the committee by:

Branch Secretary ______________________________
David Bliss

25 August 2025

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
ABN 36 153 379 383

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Shop, Distributive And Allied Employees' Association, Newcastle And Northern Branch (the organisation) which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policies, the committee of management statement, the subsection 255(2A) report and the statement by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the organisation.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Shop, Distributive And Allied Employees' Association, Newcastle And Northern Branch as at 30 June 2025, and its financial performance and its cash flows for the year ended on that date in accordance with:

(a) the Australian Accounting Standards; and

(b) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

Basis for Opinion

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

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

SHOP, DISTRIBUTIVE AND ALLIED EMPLOYEES' ASSOCIATION, NEWCASTLE AND NORTHERN BRANCH
ABN 36 153 379 383

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

Information Other than the Financial Report and Auditor's Report Thereon

The committee of the organisation is responsible for the other information. The other information comprises the information included in the Committee of Management Operating Report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Committee for the Financial Report

The committee of the organisation is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the organisation'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 committee either intends to liquidate the organisation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 organisation's internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's 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 organisation'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 organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We declare that the auditor is registered under the RO Act.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 252(2) of the RO Act. We advise that there were no such deficiencies, failures or shortcomings.

McGregor & McGregor
Chartered Accountants
271 Brunker Road
ADAMSTOWN, NSW, 2289

DIRECTOR: S.D. RODGERS
REGISTERED COMPANY AUDITOR: 469077

ADAMSTOWN

25 August 2025

Registration Number (as registered under the RO Act): AA2020/13