



Fair Work
Commission

12 June 2026

Kevin Morton
National President
Police Federation of Australia-New South Wales Police Branch
Sent via email: info.centre@pansw.org.au

Dear Kevin Morton

Section 269 application for certificate stating financial affairs of reporting unit are encompassed by financial affairs of associated State body for year ended 31 December 2025 (FR2025/198)

I refer to the application lodged pursuant to section 269 of the *Fair Work (Registered Organisations) Act 2009* in respect of the Police Federation of Australia-New South Wales Police Branch for the financial year ended 31 December 2025. The application was lodged with the Fair Work Commission on 2 June 2026.

I have granted the application. The certificate is attached.

If you have any queries regarding this letter please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely



Patrick Coyle
Delegate of the General Manager
Fair Work Commission



CERTIFICATE

Fair Work (Registered Organisations) Act 2009

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

Police Federation of Australia-New South Wales Police Branch
FR2025/198

PATRICK COYLE

ADELAIDE, 12 JUNE 2026

Reporting unit's financial affairs encompassed by associated State body

[1] On 2 June 2026 an application was made under section 269(2)(a) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the Police Federation of Australia-New South Wales Police Branch (the reporting unit) for a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of Police Association of NSW (the Association), an associated State body, in respect of the financial year ending 31 December 2025.

[2] On 2 June 2026, the reporting unit lodged a copy of the audited accounts of the Association with the Fair Work Commission.

[3] I am satisfied that the Association:

- is registered under the *Industrial Relations Act 1996 (NSW)*, a prescribed State Act; and
- is, or purports to be, composed of substantially the same members as the reporting unit; and
- has, or purports to have, officers who are substantially the same as designated officers in relation to the reporting unit; and
- is an associated State body.

[4] I am further satisfied that:

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

[5] I am satisfied that the financial affairs of the reporting unit in respect of the financial year ending 31 December 2025, are encompassed by the financial affairs of the Association and I certify accordingly under section 269(2)(a) of the Act.



DELEGATE OF THE GENERAL MANAGER

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Fair Work
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Application Form AF006 | 10 July 2025



Application for a certificate under section 269 – Reduced reporting requirements

Section 269 of the *Fair Work (Registered Organisations) Act 2009* (RO Act)

Purpose of this form

This form is for use by reporting units which are seeking a certificate from the General Manager of the Fair Work Commission (the General Manager) stating that a reporting unit's financial affairs are encompassed by an associated State Body.

Your answers to the following questions will help the General Manager to make an informed decision on whether the reporting unit satisfies the requirements under Part 3 Chapter 8 of the RO Act. Part 3 of Chapter 8 sets out the requirements in relation to financial records, accounting, and auditing.

Eligibility

This form can be completed by a reporting unit where:

- the financial affairs of the reporting unit are encompassed by an associated State body; and
- the associated State body of the reporting unit is registered or recognised under a prescribed State Act; and
- the members of the reporting unit and the associated State body are substantially the same; and
- the officers of the associated State body are substantially the same as the designated officers of the reporting unit.



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Before granting the certificate, the General Manager must be satisfied that the reporting unit's financial affairs were encompassed by the financial affairs of the associated State body in a financial year. A certificate only applies to a **financial year** and if applicable, a new application must be made for any subsequent years.

Instructions for completing this form

Please read each part of the application carefully, fully answer all the questions, sign where indicated and attach the required documentation.

You must complete and submit:

- **Part A:** Reporting unit details
- **Part B:** Grounds, reasons and requirements for application
- **Part C:** Declaration and signature

Help filling in this form

The fact sheet [Reduced reporting requirements under Part 3 of Chapter 8](#) may help you interpret the eligibility criteria set out in the RO Act. Please note that the fact sheet does not constitute legal advice. Reporting units are encouraged to seek independent advice on how the relevant legislation applies to their particular circumstances.

The terms used in this application form are further defined in the [RO Act](#) and the [Regulations](#). The legislation can be found at www.legislation.gov.au.

If you require assistance or have any questions regarding this application process, please contact the Fair Work Commission general enquiries line on **1300 341 665** or email regorgs@fwc.gov.au.



Part A: Reporting unit details

1. Details of the reporting unit making the application

Reporting unit	Police Federation of Australia – NSW Police Branch	Financial year ending	31/12/25
Name of authorised person signing on behalf of the reporting unit	Kevin Morton		
Position of authorised person	Branch President		
Contact person	Pat Gooley		
Contact details	E: pat.gooley@pansw.org.au	Telephone 02 9265 6777	

Part B: Grounds, reasons, and requirements for application

2. Does the reporting unit have an industrial association (the associated State body)?

No	<input type="checkbox"/>	Reporting unit is unable to apply for a section 269 certificate
Yes	<input checked="" type="checkbox"/>	Provide name of the associated State body in the textbox below

Name of the associated State body	Police Association of NSW
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3. Is the associated State body registered or recognised as such an association under a prescribed State Act?

No	<input type="checkbox"/>	Reporting unit is unable to apply for a section 269 certificate
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Yes	<input checked="" type="checkbox"/>	Identify the applicable prescribed State Act below
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Prescribed State Act	Industrial Relations Act 1996 (NSW)
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4. Is the associated State body composed of substantially the same members as the reporting unit?

No	<input type="checkbox"/>	Reporting unit is unable to apply for a section 269 certificate
Yes	<input checked="" type="checkbox"/>	

5. Are the associated State body's officers substantially the same as designated officers in relation to the reporting unit?

No	<input type="checkbox"/>	Reporting unit is unable to apply for a section 269 certificate
Yes	<input checked="" type="checkbox"/>	

6. Has the associated State body:

Prepared accounts in accordance with prescribed State Legislation?	Yes
Had those accounts audited?	Yes
Provided a copy of the audited accounts to its members?	Yes
Provided a copy of the audited accounts to any members of the reporting unit who <u>are not</u> also members of the associated State body?	Members are also members of the associated State body
Lodged the accounts with the relevant State authority?	Yes

 ***A copy of the associated State body's audited accounts must be lodged with this application form.***

7. Has the reporting unit

Prepared an Operating report under section 254 of the RO Act?	Yes
Provided a copy of the Operating report to members?	Yes



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A copy of the Operating report must be lodged with this application form.

Part C: Declaration and signature


Under the Act, the General Manager can only grant a certificate when satisfied that the reporting unit's financial affairs are encompassed by the financial affairs of the associated State body in a financial year.

Declaration

In submitting this application on behalf of the reporting unit mentioned in Part A, I declare:

- that the financial affairs of the reporting unit are encompassed by the financial affairs of the above-mentioned associated State body.
- I am a designated officer of the reporting unit as per section 243 of the RO Act.
- the information that I have supplied in this application is complete and correct.
- I am aware that giving false or misleading information is a serious offence. A person who:
 - knowingly or recklessly makes a false or misleading statement in an application for registration; or
 - knowingly gives false or misleading information in an application for registration

is guilty of an offence, the punishment for which is imprisonment for up to 12 months (if a statement is made or information is provided knowingly) or up to 6 months (if a statement is made recklessly) – see Part 7.4, section 136 and 137.1 of the *Criminal Code*.

Printed name of designated officer	Kevin Morton
Signature	
Signature date	2/6/26



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Please lodge the completed form (including the documents referred to in Part B) with the Fair Work Commission by email to: regorgs@fwc.gov.au.

Police Association of NSW

ABN: 86 047 021 267

State Registered Trade Union

Financial Statements

For the Year Ended 31 December 2025

Police Association of NSW

ABN: 86 047 021 267

Financial Statements

For the Year Ended 31 December 2025

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Police Association of NSW

ABN: 86 047 021 267

Operating Report

31 December 2025

The Executive, being the Committee of Management for the purposes of the *Fair Work (Registered Organisations) Act 2009* ("the RO Act"), present their Operating Report of Police Association of NSW, incorporating the Police Federation of Australia - New South Wales Police Branch (as per S269 of the RO Act), for the financial year ended 31 December 2025.

Information on Committee of Management Members

The names of each person who has been a member during the year and to the date of this report are:

Name	Position	Period of office
Kevin Morton	President	1 January 2025 - 31 December 2025
Ian Allwood	Vice President	1 January 2025 - 31 December 2025
Roger Campton	Treasurer	1 January 2025 - 31 December 2025
Aaron Rynehart	Member - North West Metro 1	1 January 2025 - 31 December 2025
Alison Dixon	Member - North West Metro 2	1 January 2025 - 31 December 2025
Stephen Waddington	Member - South West Metro 1	1 January 2025 - 31 December 2025
Elise Hulley-Thomas	Member - South West Metro 2	1 January 2025 - 31 December 2025
Angus Longley	Member - Southern Region Area 1	1 January 2025 - 31 December 2025
Kelly Hallinan	Member - Southern Region Area 2	1 January 2025 - 31 December 2025
Paul Ireland	Member - Northern Region Area 1	1 January 2025 - 31 December 2025
Darren McCaughey	Member - Northern Region Area 2	1 January 2025 - 10 April 2025
Stephen Kendell	Member - Northern Region 2	10 June 2025 - 31 December 2025
Chris Jordan	Member - Western Region	1 January 2025 - 31 December 2025
Peter Foran	Member - Commissioned Officers	1 January 2025 - 31 December 2025
Oliver Behrens	Member - Central Metro Region Area 1	1 January 2025 - 31 December 2025
Graham Condon	Member - Central Metro Region Area 2	1 January 2025 - 31 December 2025
Stephen McDonald	Member - Non LAC Region Area 1	1 January 2025 - 31 December 2025
Christine Woods	Member - Non LAC Region Area 2	1 January 2025 - 31 December 2025
Peter Gurr	Member - Non LAC Region Area 3	1 January 2025 - 31 December 2025
Chad George	Member - Non LAC Region Area 4	1 January 2025 - 31 December 2025

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

The Association is a professional and industrial organisation, registered under the *Fair Work (Registered Organisations) Act 2009* ("the RO Act"), having substantial common members between the State and Federally registered bodies.

The principal activity of the Association is representing the professional and industrial interests of its members, covering all ranks of sworn police officers in New South Wales.

Police Association of NSW

ABN: 86 047 021 267

Operating Report

31 December 2025

Significant changes in financial affairs

There have been no significant changes in the state of affairs of the Association during the year.

Review of operations

A review of the operations and the results of the Association is performed at regular meetings of the Executive. The Executive believe that they have furthered the interests of their members throughout the year through the conduct of the Association's principal activities.

Right of members to resign

All members of the Association have the right to resign, in accordance with Rule 17 of the Association Rules and section 174 of the *Fair Work (Registered Organisations) Act 2009*.

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

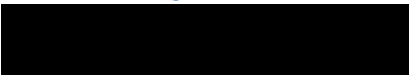
No officer or member of the Association holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of the Association.

Number of members


The number of financial members at 31 December 2025 was 15,452 (2024: 15,764).

Number of employees

The number of full time equivalent employees at 31 December 2025 was 54 (2024: 55).



Kevin Morton
President



Roger Campton
Treasurer

Dated: 31 March 2026

Police Association of NSW

ABN: 86 047 021 267

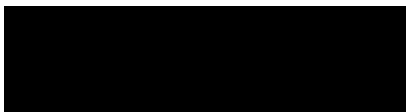
Executive Certificate

31 December 2025

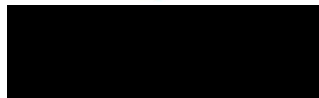
We, the undersigned, being two members of the Executive of the Police Association of NSW ("the Association"), hereby certify in respect of the financial year ended 31 December 2025, that:

- i) In the opinion of the Executive, the attached financial statements show a true and fair view of the financial affairs of the Association as at 31 December 2025;
- ii) In the opinion of the Executive, meetings of the Executive were held during the year ended 31 December 2025 in accordance with the Rules of the Association;
- iii) To the knowledge of any member of the Executive, there have been no instances where records of the Association or other documents [not being documents containing information made available to a member of the Association under subsection 512(2) of the *Industrial Relations Act 1991 (NSW)* ("the 1991 Act"), as applied by subsection 282(3) of the *Industrial Relations Act 1996 (NSW)*] or copies of those records or documents, or copies of the rules of the Association, have not been furnished, or made available to members in accordance with the *Industrial Relations Act 1996 (NSW)*, the Regulations thereto, or the Rules of the Association as the case may be; and
- iv) In relation to the report prepared in accordance with section 514 of the 1991 Act, as applied by section 282(3) of the *Industrial Relations Act 1996 (NSW)*, by the auditor of the organisation in respect of the financial year immediately preceding the financial year to which the accounts relate [i.e the second most recently concluded financial year] and in relation to any accounts and statements prepared in accordance with section 510(1) of the 1991 Act to which that report relates, the organisation has complied with section 517(1) of the 1991 Act and whichever of subsections (5) and (6) of that section of that Act is applicable.

This certificate is in accordance with a resolution passed by the Executive of the Association in relation to the matters to be stated in the certificate and is signed on behalf of the Executive by the undersigned:



Kevin Morton
President



Roger Campton
Treasurer

Dated: 31 March 2026

Police Association of NSW

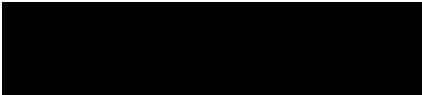
ABN: 86 047 021 267

Certificate by Accounting Officer

31 December 2025

I, Kevin Morton, the Accounting Officer of the Police Association of New South Wales ("the Association"), hereby certify to the best of my knowledge and belief that there were 15,452 persons that were full members of the Association as at the end of the financial year ended 31 December 2025, and in my opinion;

- i. The attached financial statements show a true and fair view of the financial affairs of the Association as at 31 December 2025;
- 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 or accounts 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 payment was made out of a fund referred to in clause 57(b)(xiii) or (xv) of the *Industrial Relations Regulation Act 1992* for a purpose other than the purpose for which the fund was operated and only when approved in accordance with the Rules of the Association;
- v. Any loans or financial benefits granted to persons holding office in the Association were authorised in accordance with the Rules of the Association; and
- vi. The register of members of the Association was maintained in accordance with the *Industrial Relations Act 1996 [NSW]*.


Kevin Morton
Accounting Officer

Dated: 31 March 2026

Police Association of NSW

ABN: 86 047 021 267

Statement of Surplus or Deficit and Other Comprehensive Income

For the Year Ended 31 December 2025

	Note	2025 \$	2024 \$
Revenue	4	19,943,535	19,897,570
Other income	4	4,094,024	4,808,811
		<u>24,037,559</u>	<u>24,706,381</u>
Affiliation Fees		(537,865)	(540,096)
Conference expenses		-	(567,700)
Branch organising, visits, forums		(565,162)	(400,653)
Computer systems expenses		(653,750)	(442,858)
Consulting, accounting and audit fees		(150,896)	(137,293)
Depreciation, amortisation and impairment expense		(471,027)	(470,999)
Employee benefits expense		(12,922,520)	(11,362,034)
Executive expenses		(97,267)	(134,099)
Legal assistance		(1,605,356)	(1,526,503)
Member benefits expense		(1,270,293)	(1,407,683)
Motor vehicle expenses		(195,199)	(179,145)
Property maintenance costs		(725,368)	(770,697)
Sponsorships and donations		(426,091)	(419,834)
Training and education expenses		(37,122)	(14,350)
Travel expenses		(219,371)	(137,143)
Finance expenses		(3,155)	(50,059)
Fair value loss of financial assets		(511,991)	-
Other expenses		(455,734)	(398,266)
		<u>(20,848,167)</u>	<u>(18,959,412)</u>
Surplus for the year		<u>3,189,392</u>	<u>5,746,969</u>
Items that will not be reclassified to profit or loss			
Revaluation of property, plant and equipment		-	747,056
Remeasurements of net defined benefit obligations		3,618	8,174
		<u>3,618</u>	<u>755,230</u>
Other comprehensive income for the year		<u>3,618</u>	<u>755,230</u>
Total comprehensive income for the year		<u>3,193,010</u>	<u>6,502,199</u>

The accompanying notes form part of these financial statements.

Police Association of NSW

ABN: 86 047 021 267

Balance Sheet

As at 31 December 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	2,092,695	1,082,228
Trade and other receivables	7	766,164	684,970
Other assets	8	434,316	401,660
TOTAL CURRENT ASSETS		3,293,175	2,168,858
NON-CURRENT ASSETS			
Financial assets	9	31,784,271	33,187,353
Right-of-use assets	10	36,020	47,529
Property, plant and equipment	11	43,100,407	38,719,549
Investment property	12	2,750,000	2,750,000
Employee benefits	14	104,487	122,931
TOTAL NON-CURRENT ASSETS		77,775,185	74,827,362
TOTAL ASSETS		81,068,360	76,996,220
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	2,037,611	1,699,595
Borrowings	16	7	1,165
Lease liabilities	10	11,436	10,637
Employee benefits	17	4,464,008	3,915,218
TOTAL CURRENT LIABILITIES		6,513,062	5,626,615
NON-CURRENT LIABILITIES			
Lease liabilities	10	26,611	38,047
Employee benefits	17	21,477	17,358
TOTAL NON-CURRENT LIABILITIES		48,088	55,405
TOTAL LIABILITIES		6,561,150	5,682,020
NET ASSETS		74,507,210	71,314,200
EQUITY			
Reserves	18	9,918,078	9,918,078
Retained earnings		64,589,132	61,396,122
TOTAL EQUITY		74,507,210	71,314,200

The accompanying notes form part of these financial statements.

Police Association of NSW

ABN: 86 047 021 267

Statement of Changes in Equity

For the Year Ended 31 December 2025

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2025	61,396,122	9,918,078	71,314,200
Result for the year	3,189,392	-	3,189,392
Remeasurement of defined benefit obligations	3,618	-	3,618
Balance at 31 December 2025	64,589,132	9,918,078	74,507,210
Balance at 1 January 2024	55,640,979	9,171,022	64,812,001
Result for the year	5,746,969	-	5,746,969
Property revaluation	-	747,056	747,056
Remeasurement of defined benefit obligations	8,174	-	8,174
Balance at 31 December 2024	61,396,122	9,918,078	71,314,200

The accompanying notes form part of these financial statements.

Police Association of NSW

ABN: 86 047 021 267

Statement of Cash Flows

For the Year Ended 31 December 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from members		21,553,867	20,431,193
Receipts from other income		4,415,112	5,963,975
Payments to suppliers and employees		(21,263,306)	(23,107,952)
Interest income		48,344	16,133
Interest paid		(3,155)	(50,059)
Net cash provided by operating activities		<u>4,750,862</u>	<u>3,253,290</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net proceeds/(purchase) of financial assets		(2,601,986)	2,918,370
Purchase of property, plant and equipment		(5,027,414)	(4,881,998)
Proceeds from sale of plant and equipment		290,319	166,000
Investment income		3,425,993	968,570
Net rental income from investment properties		184,488	91,034
Net cash used by investing activities		<u>(3,728,600)</u>	<u>(738,024)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		(1,158)	(1,765,945)
Repayment of lease liabilities		(10,637)	(23,847)
Net cash used by financing activities		<u>(11,795)</u>	<u>(1,789,792)</u>
Net increase in cash and cash equivalents held		1,010,467	725,474
Cash and cash equivalents at beginning of year		1,082,228	356,754
Cash and cash equivalents at end of financial year	6	<u>2,092,695</u>	<u>1,082,228</u>

The accompanying notes form part of these financial statements.

Police Association of NSW

ABN: 86 047 021 267

Notes to the Financial Statements

For the Year Ended 31 December 2025

The financial report covers Police Association of NSW ("the Association") as an individual entity. Police Association of NSW is a not-for-profit Association which is an organisation of employees registered under the *Industrial Relations Act 1996 [NSW]* ("the Act"). In accordance with the Act, the Association is a body corporate with perpetual succession.

The functional and presentation currency of the Association is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Industrial Relations Act 1996 [NSW]*. For the purpose of preparing the general purpose financial statements, the Association is a not-for-profit entity.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information relating to the preparation of these financial statements is presented below and is consistent with prior reporting periods unless otherwise stated.

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

The material revenue recognition policies for the principal revenue streams of the Association are:

Membership income

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.

Police Association of NSW

ABN: 86 047 021 267

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(a) Revenue and other income

There is only one distinct membership service promised in the arrangement. Accordingly, 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.

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.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Investment revenue

Dividends are recognised when the Association's right to receive payment is established.

Distributions from managed funds are recognised as income when earned and are reinvested or received as cash distributions.

Rental income

Rental income is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

(b) Leases

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

Right-of-use asset

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Police Association of NSW

ABN: 86 047 021 267

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(c) Income Tax

No provision for income tax is necessary, as the Association (being a registered Industrial Trade Union) is exempt from tax under s.50(15) of the *Income Tax Assessment Act 1997*.

(d) Financial instruments

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through surplus or deficit where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment, including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses.

Police Association of NSW

ABN: 86 047 021 267

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(d) Financial instruments

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in bad debt expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in surplus or deficit.

Financial liabilities

The financial liabilities of the Association comprise of trade and other payables and lease liabilities.

(e) Investment property

Investment property is held to generate long-term rental yields and capital growth and are not occupied by the Association. Investment property is carried at fair value, reviewed annually, with reference to independent valuations. Changes to fair value are recorded in the statement of surplus or deficit and other comprehensive income as other income/expenses.

(f) Property, plant and equipment

Plant and equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

Land and buildings

Land and buildings are measured using the revaluation model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Police Association of NSW

ABN: 86 047 021 267

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(f) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Office equipment	5 - 40%
Motor vehicles	15 - 25%

(g) Employee benefits

Defined benefit superannuation schemes

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS);
- State Superannuation Scheme (SSS);
- Police Superannuation Scheme (PSS); and
- State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are all defined benefit schemes at least a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive lump sum or pension benefits on retirement, death, disablement and withdrawal.

All the Schemes are closed to new members.

Regulatory framework

The schemes in the Pooled Fund are established and governed by the following NSW legislation: *Superannuation Act 1916*, *State Authorities Superannuation Act 1987*, *Police Regulation (Superannuation) Act 1906*, *State Authorities Non-Contributory Superannuation Act 1987*, and their associated regulations.

The schemes in the Pooled Fund are exempt public sector superannuation schemes under the Commonwealth *Superannuation Industry (Supervision) Act 1993* (SIS). The SIS Legislation treats exempt public sector superannuation funds as complying funds for concessional taxation and superannuation guarantee purposes.

Under a Heads of Government agreement, the New South Wales Government undertakes to ensure that the Pooled Fund will conform with the principles of the Commonwealth's retirement incomes policy relating to preservation, vesting and reporting to members and that members' benefits are adequately protected.

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Material Accounting Policy Information

(g) Employee benefits

Defined benefit superannuation schemes

The New South Wales Government prudentially monitors and audits the Pooled Fund and the Trustee Board activities in a manner consistent with the prudential controls of the SIS legislation. These provisions are in addition to other legislative obligations on the Trustee Board and internal processes that monitor the Trustee Board's adherence to the principles of the Commonwealth's retirement incomes policy.

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2024. The next actuarial investigation will be performed as at 30 June 2027.

Description of other entities' responsibilities for the governance of the fund

The Fund's Trustee is responsible for the governance of the Fund. The Trustee has a legal obligation to act solely in the best interests of fund beneficiaries. The Trustee has the following roles:

- Administration of the fund and payment to the beneficiaries from fund assets when required in accordance with the fund rules;
- Management and investment of the fund assets; and
- Compliance with other applicable regulations.

Description of risks

There are a number of risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

- *Investment risk* - The risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall.
- *Longevity risk* - The risk that pensioners live longer than assumed, increasing future pensions.
- *Pension indexation risk* - The risk that pensions will increase at a rate greater than assumed, increasing future pensions.
- *Salary growth risk* - The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.
- *Legislative risk* - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

The defined benefit fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk.

Description of significant events

There were no fund amendments, curtailments or settlements during the year.

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

3 Critical Accounting Estimates and Judgements

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

Key estimates - property held at fair value

Independent valuations of properties (land & buildings and investment property) carried at fair value were obtained effective 31 December 2024. The Executive have reviewed these valuations and consider them to remain appropriate for reflecting the fair values of the properties as at the current balance date. The valuations are an estimation which would only be realised if the properties are sold. Notes 11 and 12 provide information on the valuations obtained.

Key estimates - useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain property, plant and equipment.

Key estimates - employee entitlements

Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made after taking into account a range of possible outcomes, probabilities and assumptions and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgements - land and buildings classification

The Association holds property which are rented out to earn rental income. These properties whilst currently surplus to the Associations current requirements, are predominately held for strategic and future operational requirements, and hence are considered to be more appropriately classified as *Property, Plant and Equipment*, rather than *Investment Property*.

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

4 Revenue

	2025	2024
	\$	\$
Revenue from contract with customers		
- Membership fees	18,906,658	18,809,186
- Rental income	1,036,877	1,088,384
	<u>19,943,535</u>	<u>19,897,570</u>
Other income		
- Fair value gain on investments	-	2,893,933
- Investment income	3,457,034	972,060
- Interest income	48,344	16,133
- Other income	588,646	926,685
	<u>4,094,024</u>	<u>4,808,811</u>
Total Revenue	<u>24,037,559</u>	<u>24,706,381</u>

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated; the following table shows this breakdown:

Timing of revenue recognition

- Over time	19,943,535	19,897,570
- At a point in time	-	-
Revenue from contracts with customers	<u>19,943,535</u>	<u>19,897,570</u>

5 Result for the Year

The result for the year includes the following specific expenses/(income):

Cost of goods sold	52,704	137,518
Superannuation contributions	1,355,309	1,160,142

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

6 Cash and Cash Equivalents

	2025	2024
	\$	\$
Cash on hand	159	100
Cash at bank	2,092,536	1,082,128
	<u>2,092,695</u>	<u>1,082,228</u>

7 Trade and Other Receivables

Trade receivables	553,364	586,294
Other receivables	212,800	98,676
	<u>766,164</u>	<u>684,970</u>

8 Other Assets

Prepayments	272,855	288,845
Other	161,461	112,815
	<u>434,316</u>	<u>401,660</u>

9 Financial Assets

NON-CURRENT

Financial assets at fair value through surplus and deficit

Listed investments	<u>31,784,271</u>	<u>33,187,353</u>
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Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

10 Leases

Association as a Lessee

The Association has leases over office equipment assets.

The leases for office equipment are for between 4 to 5 years with no option to renew. The lease payments are fixed within the term.

Right-of-Use Asset

Office Equipment

	2025	2024
	\$	\$
Year ended 31 December		
Balance at beginning of year	47,529	26,361
Additions	-	43,662
Depreciation	(11,509)	(22,494)
Balance at end of year	36,020	47,529

Lease Liabilities

Current lease liabilities	11,436	10,637
Non-current lease liabilities	26,611	38,047
	38,047	48,684

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Balance Sheet
	\$	\$	\$	\$
2025				
Lease liabilities	13,772	29,444	43,216	38,047
2024				
Lease liabilities	13,772	43,216	56,988	48,684

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

10 Leases

Statement of Surplus or Deficit and Other Comprehensive Income

The amounts recognised in the statement of surplus or deficit and other comprehensive income relating to leases where the Association is a lessee are shown below:

	2025	2024
	\$	\$
Depreciation of right-of-use assets	11,509	22,494
Lease interest expenses	3,135	1,464
	<u>14,644</u>	<u>23,958</u>

Statement of Cash Flows

Total cash outflow for leases	<u>13,772</u>	<u>25,311</u>
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11 Property, Plant and Equipment

LAND AND BUILDINGS

At fair value	42,083,057	37,800,000
Accumulated depreciation	(152,163)	-
	<u>41,930,894</u>	<u>37,800,000</u>

MOTOR VEHICLES

At cost	1,186,968	1,089,106
Accumulated depreciation	(257,360)	(281,982)
	<u>929,608</u>	<u>807,124</u>

OFFICE EQUIPMENT

At cost	1,384,669	1,198,325
Accumulated depreciation	(1,144,764)	(1,085,900)
	<u>239,905</u>	<u>112,425</u>
	<u>43,100,407</u>	<u>38,719,549</u>

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

1.1 Property, Plant and Equipment

(a) Movements in Carrying Amounts of Property, Plant and Equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings \$	Motor Vehicles \$	Office Equipment \$	Total \$
Year ended 31 December 2025				
Balance at the beginning of year	37,800,000	807,124	112,425	38,719,549
Additions	4,335,914	568,080	219,310	5,123,304
Disposals	-	(280,537)	(2,391)	(282,928)
Depreciation expense	(205,020)	(165,059)	(89,439)	(459,518)
Balance at the end of the year	41,930,894	929,608	239,905	43,100,407

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

11 Property, Plant and Equipment

(b) Revaluation

Land and buildings are recognised at fair value based on periodic, but at least biennial, valuations by external independent valuers, less subsequent depreciation for buildings. The most recent formal valuation was performed at 31 December 2024. A revaluation surplus is credited to the asset revaluation reserve in equity [refer note 18]. All other property, plant and equipment is recognised at historical cost less depreciation.

12 Investment Property

	2025	2024
	\$	\$
Investment property	<u>2,750,000</u>	<u>2,750,000</u>
(a) Movements in Carrying Amounts		
Opening balance - at fair value	2,750,000	2,621,250
Fair value increase	-	157,500
Depreciation	-	(28,750)
Closing balance	<u>2,750,000</u>	<u>2,750,000</u>

(b) Measuring Investment Property at Fair Value

The most recent formal valuation was performed at 31 December 2024. Investment properties, principally office buildings, are held for long-term rental yields and are not occupied by the Association. They are carried at fair value. Changes in fair values are presented in surplus or deficit.

13 Leasing Arrangements

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease payments for all contracts include CPI and/or market value increases, but there are no other variable lease payments that depend on an index or rate. Expectations about the future residual values are reflected in the fair value of the properties. Minimum lease payments receivable on leases of investment properties are reflected below.

The future minimum lease payments receivable under non-cancellable leases are:

- no later than 1 year	444,103	784,383
- between 1 year and 5 years	189,415	363,900
Total minimum lease payments receivable	<u>633,518</u>	<u>1,148,283</u>

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

14 Employee Benefits - Defined Benefit Fund Plan

	2025	2024
	\$	\$
NON-CURRENT ASSETS		
Defined benefit plan	<u>104,487</u>	<u>122,931</u>

(a) Reconciliations

	Reconciliation of the fair value of fund assets	Present value of the defined benefit obligation	Effect of the asset ceiling	Defined benefit asset/(liability)
2025	\$	\$	\$	\$
Opening balance	2,816,690	(2,382,769)	310,990	122,931
Current service cost	-	(28,590)	-	(28,590)
Net interest	149,407	(126,365)	16,514	6,528
Actual return on Fund assets less Interest Income	96,902	-	-	96,902
Contributions by participants	14,127	(14,127)	-	-
Actuarial (gains)/losses from changes in financial assumptions	-	46,685	-	46,685
Benefits paid	5,624	(5,624)	-	-
Actuarial (gains)/losses arising from liability experience	-	(111,754)	-	(111,754)
Taxes, premiums and expenses paid	2,147	(2,147)	-	-
Adjustment for effect of asset ceiling	-	-	28,215	(28,215)
Closing balance	<u>3,084,897</u>	<u>(2,624,691)</u>	<u>355,719</u>	<u>104,487</u>

The adjustment for the effect of asset ceiling has been determined based on the maximum economic benefit available to the entity in the form of reductions in future employer contributions.

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Notes to the Financial Statements

For the Year Ended 31 December 2025

14 Employee Benefits - Defined Benefit Fund Plan

(b) Actuarial Assumptions

	2025	2024
	%	%
Discount rate	5.48 %	5.31 %
Rate of CPI increase	1.9 - 3.25 %	2.50 - 3.8 %
Future salary increases	3.5 - 3.76 %	3.67 - 4.75 %

Pensioner Mortality

The pensioner mortality assumptions are those used for the 2024 Actuarial Investigation of the Pooled Fund. These assumptions are disclosed in the actuarial investigation report on the trustee's website. The report shows the pension mortality rates for each age.

(c) Plan Assets

All Pooled Fund assets are invested by SAS Trustee Corporation (STC) at arm's length through independent fund managers, assets are not separately invested for each entity and it is not possible or appropriate to disaggregate and attribute fund assets to individual entities.

As such, the disclosures below relate to total assets of the Pooled Fund.

As at 30 November (31 December not available).

Class of asset	2025		2024	
	Total \$'000	% of total	Total \$'000	% of total
Short term securities	2,724,472	7.3	2,349,000	6.2
Australian fixed interest	629,314	1.7	130,000	0.3
International fixed interest	230,934	0.6	210,000	0.6
Australian equities	4,423,331	11.8	7,786,000	20.6
International equities	15,602,232	41.6	15,133,000	40.1
Property	2,605,281	6.9	2,517,000	6.7
Alternatives	11,323,347	30.1	9,645,000	25.5
	37,538,911	100.0	37,770,000	100.0

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

15 Trade and Other Payables

	2025	2024
	\$	\$
Trade and other payables	1,423,534	956,421
Legal fees payable	213,527	535,995
Income in advance - contract liabilities	400,550	207,179
	<u>2,037,611</u>	<u>1,699,595</u>

16 Borrowings

CURRENT

Secured liabilities:

Bank loans	<u>7</u>	<u>1,165</u>
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The borrowings are secured by a first registered mortgage (in form prepared by the Lender) over the following land/s on account of the Outstanding Liability:

- The property the subject of either Purchase Contract.
- Lot 18 in Strata Plan 35136 known as 18, 154 Elizabeth Street, NSW 2000, Folio 18 / SP 35136.

17 Employee Benefits

CURRENT LIABILITIES

Provision for long service leave	2,663,012	2,153,409
Provision for annual leave	1,466,869	1,411,392
Employee entitlements	334,127	350,417
	<u>4,464,008</u>	<u>3,915,218</u>

NON-CURRENT LIABILITIES

Provision for long service leave	<u>21,477</u>	<u>17,358</u>
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18 Reserves

Asset revaluation reserve

The asset revaluation reserve records fair value movements on land and buildings held under the revaluation model.

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

19 Financial Risk Management

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

The Association's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

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

	Note	2025 \$	2024 \$
Financial Assets			
Cash and cash equivalents	6	2,092,695	1,082,228
Trade and other receivables		553,364	586,294
Financial assets - FVTPL	9	31,784,271	33,187,353
Total financial assets		34,430,330	34,855,875
Financial Liabilities			
Trade and other payables		1,202,868	1,617,293
Lease liabilities	10	38,047	48,684
Total financial liabilities		1,240,915	1,665,977

20 Fair Value Measurement

Net Fair Values

The fair values of financial assets and financial liabilities are materially consistent with their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated.

The Association does not hold any assets or liabilities measured at fair value, other than the financial assets recorded in note 9, land and buildings in note 11 and investment property in note 12.

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

21 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of Police Association of NSW during the year was \$2,641,055 (2024: \$2,292,626).

Key Management Personnel are any persons having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly, including any member of the Executive.

22 Related Parties

The Association provided office space to the NSW Police Legacy. The market value of rental income for this space is estimated at \$286,207 (2024: \$275,730) per annum and the difference has been recognised against a deemed donation/sponsorship.

During the year the Association paid \$9,500 (2024: \$2,500) to Police Legacy for various sponsorships.

23 Contingencies

(a) Contingent Liabilities

As a benefit of membership, the Association provides legal assistance to eligible members, whereby a commitment is made to fund certain legal costs of members. The Association's external legal advisers have estimated the Association's potential constructive obligation for approved legal assistance for matters in the hands of solicitors and barristers as at 31 December 2025 to be \$265,627 (2024: \$848,227).

Given the nature of the matters and the stages of completion, this is an estimate only and cannot be measured reliably. Accordingly, whilst constructive obligations exist which require an outflow of resources, due to the variability of the estimates and the work required to bring them to completion, dictates that liabilities cannot be recognised.

Additionally, the death benefit scheme and trust fund has a potential financial exposure. This arises pursuant to the death of a member or their spouse where an amount of \$15,000 is paid, \$12,000 for each dependent child under the age of 18 and \$5,000 funeral expenses upon passing of dependent child under 18 years of age. The number of expected member deaths cannot be ascertained at any given time and hence this contingent liability cannot be measured reliably.

(b) Contingent Assets

Where the Association has provided legal assistance to members and costs are awarded in favour of the member, the Association is reimbursed for a portion of its costs incurred, given the warranty associated with such reimbursements, they cannot be measured reliably.

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

24 Capital Commitments

	2025	2024
	\$	\$
Contracted commitments for:		
Renovation project	665,435	-

25 Auditor's Remuneration

Remuneration of the auditor, Daley for:		
- auditing or reviewing the financial statements	33,020	31,800
- other services*	4,280	4,690
	<u>37,300</u>	<u>36,490</u>

* Other services include assistance with the compilation of the general purpose financial report, accounting and taxation services.

26 Events Occurring After the Reporting Date

The financial report was authorised for issue on 31 March 2026 by the Executive.

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has 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.

27 Information to be Provided to Members or Registrar

In accordance with the requirements of the *Industrial Relations Act, 1991 [NSW]* the attention of members is drawn to the provisions of Subsections (1) and (2) of Section 512 which read as follows:

1. A member of an organisation, or the Industrial Registrar, may apply to the organisation for specified information prescribed by the regulations in relation to the organisation.
2. An organisation must, on the making of such an application, make the specified information available to the member or the Industrial Registrar in the manner, and within the time, prescribed by the regulations.

Police Association of NSW

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Notes to the Financial Statements

For the Year Ended 31 December 2025

28 Additional disclosures

	2025	2024
	\$	\$
Income		
Levies and voluntary contributions	-	-
Amount of donations or grants	-	-
Expenses		
Levies	-	-
Remuneration of employees	12,922,520	11,362,034
Amount of donations or grants	294,452	415,385
Penalties under Industrial Relations Acts or Regulations	-	-
Assets		
Investments in Government, municipal and other public debentures, stock or bonds	-	-

It is confirmed that:

1. The Association's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit;
2. The Association has not agreed and does not have an agreement to provide financial support to another reporting unit to ensure its ability to continue as a going concern; and
3. The Association has not acquired an asset or liability as a result of amalgamation, restructure or alternative reporting unit determination or revocation.

Independent Audit Report to the members of Police Association of NSW

Opinion

We have audited the financial report of Police Association of NSW ("the Association"), which comprises the balance sheet as at 31 December 2025, the statement of surplus or deficit and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, certificate by accounting officer and the executive certificate.

We report that we have inspected and audited the accounting records of the Police Association of NSW in relation to the financial year ended 31 December 2025 and report that in our opinion:

- (a) Satisfactory accounting records have been kept by the Association, so far as appears from our examination of these books, including:
- (i) records of the sources and nature of the income of the Association (including income from members); and
 - (ii) records of the nature and purpose of the expenditure of the Association.

In our opinion, the financial statements and other statements prepared under Section 510 of the *Industrial Relations Act 1991 (NSW)* have been properly drawn up so as to give a true and fair view of:

- (b) (i) the financial affairs of the Association as at 31 December 2025;
(ii) the income and expenditure, results and cash flows of the Association for the year ended on that date;
(iii) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by us or by any person authorised for the purpose of the audit was provided.
- (c) The financial statements have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures.

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 Association 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.

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Liability limited by a
Scheme approved under
Professional Standards
Legislation.



Independent Audit Report to the members of Police Association of NSW

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

The Executives are responsible for the other information. The other information comprises any information that does not form part of the financial report, as defined in the Opinion section of this Independent Audit Report for the year ended 31 December 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive for the Financial Report

The Executive 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 - Simplified Disclosures and the *Industrial Relations Act 1996 [NSW]* and for such internal control as the Executive determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Executive 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 Executive either intend to liquidate the Association 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 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 the financial report.



Independent Audit Report to the members of Police Association of NSW

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

[REDACTED]
Daley Audit

[REDACTED]
Stephen Milgate
Partner

Wollongong

Dated: 31 March 2026

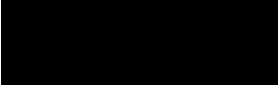
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Disclaimer

The additional financial information presented on pages 33 - 36 is in accordance with the books and records of the Police Association of NSW has been subjected to the audited procedures applied in our audit of the Association for the year ended 31 December 2025. It will be appreciated that our audit did not cover all the details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty or accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the Association) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.


Daley & Co

Wollongong

Dated: 31 March 2026

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Professional Standards
Legislation.



Police Association of NSW

ABN: 86 047 021 267

Detailed Income Statement

For the Year Ended 31 December 2025

	2025	2024
	\$	\$
Income		
Membership fees received - Full membership	18,906,658	18,809,186
Investment income	3,457,034	972,060
Rental income	1,036,877	1,088,384
Interest income	48,344	16,133
Gain on fair value of financial assets	-	2,893,933
Other income	588,646	926,685
	<u>24,037,559</u>	<u>24,706,381</u>
Affiliation fees		
Police Federation of Australia	(315,326)	(321,813)
Unions NSW	(80,828)	(73,221)
Others	(141,711)	(145,062)
	<u>(537,865)</u>	<u>(540,096)</u>
Biennial conference		
Conference expenses	-	(567,700)
		<u>(567,700)</u>
Branch organising, visits, forums		
Branch forums/focus	(442,424)	(290,110)
Branch visits	(122,738)	(110,543)
	<u>(565,162)</u>	<u>(400,653)</u>
Computer systems expenses		
Computer systems expenses	(653,750)	(442,858)
	<u>(653,750)</u>	<u>(442,858)</u>
Consulting, accounting and audit fees		
Consulting fees	(28,825)	(36,428)
Accounting services	(64,356)	(64,622)
Legal fees	(20,415)	(1,453)
Audit fees	(37,300)	(34,790)
	<u>(150,896)</u>	<u>(137,293)</u>

Refer to accompanying Disclaimer Report

Police Association of NSW

ABN: 86 047 021 267

Detailed Income Statement

For the Year Ended 31 December 2025

	2025	2024
	\$	\$
Depreciation and amortisation expense		
Depreciation, amortisation and impairment expense	(471,027)	(470,999)
Employee costs (salary, leave, superannuation, on costs, etc)		
Salaries, allowances & packaging - Association	(9,307,418)	(8,398,907)
Superannuation contributions	(1,355,309)	(1,160,142)
Secondment	(721,059)	(592,260)
Fringe Benefits	(439,386)	(424,432)
Payroll tax	(507,775)	(444,841)
Leave provisions	(569,509)	(312,296)
Other employee costs	(22,064)	(29,156)
	(12,922,520)	(11,362,034)
Executive expenses		
Executive meeting and representation	(57,853)	(63,837)
Committee meeting expenses	(38,166)	(69,072)
Telephone and dry cleaning	(1,248)	(1,190)
	(97,267)	(134,099)
Legal assistance		
Legal fees - Solicitor	(989,440)	(948,642)
Legal fees - Counsel	(1,068,612)	(1,207,914)
Legal reimbursements	560,324	788,417
Disbursements	(107,628)	(158,364)
	(1,605,356)	(1,526,503)

Refer to accompanying Disclaimer Report

Police Association of NSW

ABN: 86 047 021 267

Detailed Income Statement

For the Year Ended 31 December 2025

	2025	2024
	\$	\$
Member benefits (death benefit, welfare and scholarship schemes)		
Death benefit scheme	(234,342)	(219,831)
Retirement gifts and Association merchandise	(247,783)	(396,274)
Welfare assistance scheme	(233,513)	(178,086)
Trust payments	(158,624)	(204,600)
Scholarships	(86,155)	(72,455)
Pocket diary	(22,563)	(29,503)
Other expenses	(287,313)	(306,934)
	<u>(1,270,293)</u>	<u>(1,407,683)</u>
Motor vehicle expenses		
Motor vehicle expenses	<u>(195,199)</u>	<u>(179,145)</u>
Property maintenance costs		
Elizabeth St, Sydney	(692,533)	(711,816)
Holt St, Sydney	(32,835)	(58,881)
	<u>(725,368)</u>	<u>(770,697)</u>
Sponsorships and donations		
Sponsorships and donations	<u>(426,091)</u>	<u>(419,834)</u>
Training and education expenses		
Training and education expenses	<u>(37,122)</u>	<u>(14,350)</u>
Travel expenses		
Travel expenses	<u>(219,371)</u>	<u>(137,143)</u>
Finance Expense		
Finance expense	<u>(3,155)</u>	<u>(50,059)</u>

Refer to accompanying Disclaimer Report

Police Association of NSW

ABN: 86 047 021 267

Detailed Income Statement

For the Year Ended 31 December 2025

	2025	2024
	\$	\$
Fair value loss of financial assets		
Loss on fair value of financial assets	(511,991)	-
Other expenses		
Printing and stationery expense	(94,807)	(80,762)
Insurance expense	(111,174)	(110,462)
Investment management costs	(31,041)	(21,255)
Magazines, journals and periodicals expense	(53,394)	(47,580)
Telephone and fax expense	(24,860)	(21,755)
Repairs and maintenance expense	(25,415)	(30,469)
Courier charges	(4,641)	(2,784)
Bank charges	(447)	(575)
Staff amenities	(13,102)	(11,043)
Sundry expenses	(96,853)	(71,581)
	<u>(455,734)</u>	<u>(398,266)</u>
Total expenses	<u>(20,848,167)</u>	<u>(18,959,412)</u>
Surplus/(deficit) for the year	<u>3,189,392</u>	<u>5,746,969</u>

Refer to accompanying Disclaimer Report