FAIR WORK
AUSTRALIA

30 November 2011

Mr Bryan de Caires
Secretary
Australian Security Industry Association Limited
PO Box 1338
CROWS NEST NSW 1585

FILE COPY

Dear Mr de Caires

Re: Lodgment of Financial Statements and Accounts - for year ending 30 June 2011 (FR2011/2771)

Thank you for lodging the above financial statements and accounts which were received by Fair Work Australia on 15 November 2011.

The documents have been filed. However I draw your attention the following.

The Operating Report on page 17 states that a donation of $4,850 was made during the year. Section 237 of the *Fair Work (Registered Organisations) Act 2009* provides (in part):

> *(1) An organisation must, within 90 days after the end of each financial year (or such longer period as the General Manager allows), lodge with FWA a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding $1,000 made by the organisation during the financial year.*
>
> *(2) A statement lodged with FWA under subsection (1) must be signed by an officer of the organisation.*
>
> ....
>
> *(4) A statement lodged with FWA under subsection (1) may be inspected, during office hours, by a member of the organisation concerned.*
>
> ....
>
> *(6) The relevant particulars, in relation to a grant or donation made by an organisation, are:*
>
>> *(a) the amount of the grant or donation; and*
>>
>> *(b) the purpose for which the grant or donation was made; and*
>>
>> *(c) except where the grant or donation was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship—the name and address of the person to whom the grant or donation was made.*

Terrace Towers
80 William Street
East Sydney NSW 2011

Telephone: (02) 8374 6666
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Facsimile: (02) 9380 6990
Email: sydney@fwa.gov.au

There is no record of any Statement under s237 having been lodged to date. Accordingly, a separate statement which sets out the particulars prescribed above should be lodged as soon as possible.

Yours respectfully,

Stephen Kellett

Organisations, Research and Advice

Fair Work Australia

ASIAL

Australian Security Industry Association Limited

The peak body for security professionals

14th November 2011

RECEIVED 15 NOV 2011 FAIR WORK AUSTRALIA NEW SOUTH WALES

Stephen Kellett
Statutory Services Branch
Fair Work Australia
Terrace Towers
80 William Street
Sydney NSW 2011

Dear Mr. Kellett,

Certificate of Secretary

I, Bryan de Caires, being the Secretary of the Australian Security Industry Association Limited, certify:

1. That the documents lodged herewith, being the 2011 Annual & Financial Report of the Australian Security Industry Association Limited incorporating the General Purpose Financial Report, Operating Report and Committee of Management's Statement together with the Independent Auditor's Report for the year ended 30 June 2011, are copies of the full report referred to in *s268* of the *Fair Work (Registered Organisations) Act 2009*; and

2. That notification was provided to Members on 6th September 2011 by mail, and subsequently by email and on the Association's web site, that the 2011 Annual & Financial Report was available for their perusal; and

3. That the full report was presented to the 42nd Annual General Meeting of members held on the 9th November 2011, in accordance with *s266* of the *Fair Work (Registered Organisations) Act 2009.*

Yours faithfully,

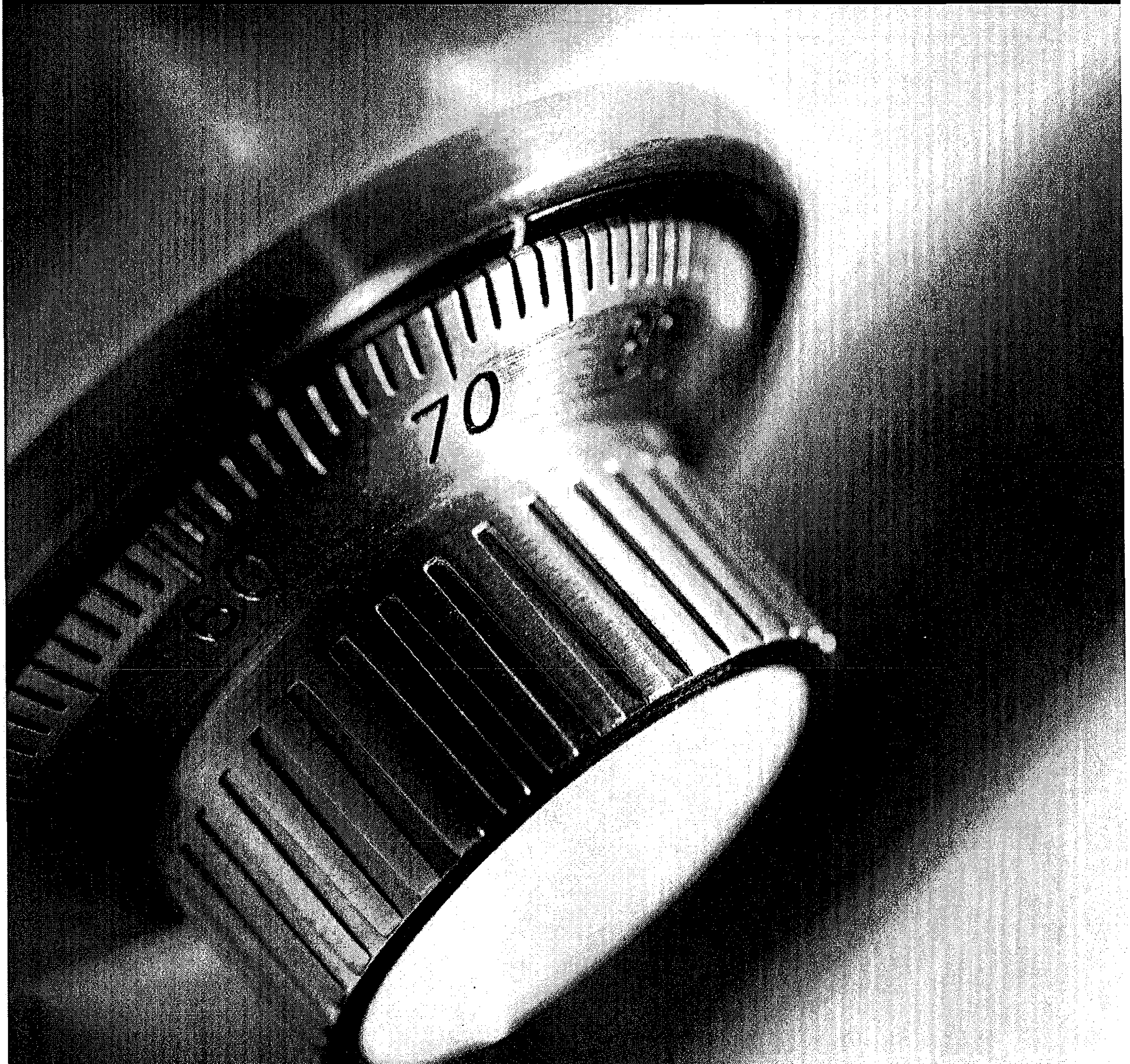
BdeCaires

Bryan de Caires
Secretary

Attach.

Security Industry House PO Box 1338 Crows Nest NSW 1585 ABN 91 000 813 365
Phone: 02 8425 4300 **Fax:** 02 8425 4343 **Email:** security@asial.com.au **Web:** www.asial.com.au

Financial Report



Directors Operating Report cont.

Indemnification and Insurance of Directors and Officers
During the year, the company has paid a premium in respect of a contract insuring directors and officers against: (a) liability arising from wrongful acts committed in their capacity as directors and officers of the company, but excluding dishonesty, fraud, malicious conduct or wilful breach of duty; and (b) the costs of legal representation in relation to such liabilities. The premium paid was $11,613, which also includes cover for the company in respect of loss it suffers as a result of wrongful, wilful or fraudulent acts of its directors, officers and employees. This contract complies with Section 199B of the Corporations Act 2001.

Auditors

Foster Raffan continues to act as auditors in accordance with Section 327 of the Corporations Act 2001.

Directors' Emoluments and Transactions

No emoluments have been received or are due and receivable by Directors from the company or any related body corporate.

Directors Meetings

Attendance by each director at board and board committee meetings, held during the period each director held office this year, is shown in the table below. The number of meetings is in brackets.

Directors Attendance at Board meetings

Rod Anderson 5 (5)	Bob Bruce 4 (5)	Ged Byrnes 5 (5)
Fraser Duff 1 (1)*	Antony Elliott 5 (5)	Chris Luhrmann 1 (1)*
Kevin McDonald 4 (5)	Mike McKinnon 5 (5)	Thomas Roche 4 (5)
Leo Silver 4 (4)*		

*Fraser Duff did not stand for re-election to the Board in November 2011. Following the postal ballot conducted by the Australian Electoral Commission, Leo Silver replaced Chris Luhrmann on the Board.

Attendance at National Reference Group meeting

Rod Anderson 1 (1)	Bob Bruce 1 (1)	Ged Byrnes 1 (1)
Paul Corson 1 (1)	Chris Cubbage 1 (1)	Fraser Duff 0 (1)
Michael Dyson 0 (1)	Antony Elliott 1 (1)	Peter Johnson 1 (1)
Neville Kiely 1 (1)	Chris Luhrmann 1 (1)	Kevin McDonald 1 (1)
Mike McKinnon 1 (1)	Neil McLean 1 (1)	Thomas Roche 1 (1)

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

This report is made in accordance with a resolution of the Directors.

Ged Byrnes Director
Crows Nest, 2 September 2011.

Kevin McDonald Director

Directors Declaration

In accordance with a resolution of the directors of Australian Security Industry Association Limited, we state that:

(a) The financial statements and notes set out on pages 20 to 33 are in accordance with the Guidelines of the General Manager, Fair Work Australia and:

(i) comply with Accounting Standards and the Corporations Regulations 2001; and

(ii) give a true and fair view of the company's financial performance, financial position and cash flow as at 30 June 2011 and of its performance for the year ended on that date;

(b) in the opinion of the directors there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

(c) during the financial period to which the General Purpose Financial Report relates and since the end of that year:

(i) meetings of the committee of management (the Board) were held in accordance with the Rules of the reporting unit (ASIAL)

(ii) the financial affairs of the reporting unit have been managed in accordance with its Rules; and

(iii) the financial records of the reporting unit have been kept and maintained in accordance with Fair Work (Registered Organisations) Act 2009 (the Act) and its related Regulations; and

(iv) no member of the Association or a Registrar has made a request for information under section 272 of the RAO Schedule; and

(v) there has been no order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

On behalf of the Board

Ged Byrnes Director
Crows Nest, 2 September 2011.

Kevin McDonald Director

Auditor's Independence Declaration

I declare, to the best of my knowledge and belief that during the year ended 30 June 2011 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Foster Raffan
Chartered Accountants
Level 6, 8 West Street, North Sydney, NSW 2060

G.D.D. Raffan Partner
North Sydney, 2 September 2011

Independent Audit Report to Members

We have audited the accompanying financial report of Australian Security Industry Association Limited (the company) which comprises the statement of financial position as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

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

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

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

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

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

In our opinion the financial report of Australian Security Industry Association Limited

(a) is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

(b) complies with the requirements of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Foster Raffan

Foster Raffan
Chartered Accountants

Raffan

G.D.D. Raffan Partner

North Sydney, 2 September 2011

Level 6, 8 West Street, North Sydney, NSW 2060

Statement of comprehensive income

FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011	2010
		$	$
Revenue – operating	2	2,387,770	2,211,468
Revenue - investment	2	121,334	77,813
Expenses directly related to operating activities (excluding salaries)		(747,077)	(646,039)
Employee benefits		(880,681)	(857,092)
Depreciation		(52,843)	(49,792)
Finance costs		(32,011)	(39,521)
Other expenses	3	(588,394)	(632,870)
PROFIT/ (LOSS) BEFORE INCOME TAX		208,098	63,967
Income tax expense	4	-	(30,149)
PROFIT FOR THE YEAR		208,098	33,818
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**208,098**	**33,818**

The accompanying notes form part of these financial statements.

Statement of financial position

AS AT 30 JUNE 2011

	Note	2011	2010
CURRENT ASSETS		$	$
Cash and cash equivalents	6	1,483,692	1,796,767
Trade and other receivables	7	66,782	499,846
Other current assets	8	57,157	61,664
TOTAL CURRENT ASSETS		1,607,631	2,358,277
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,404,585	2,399,611
TOTAL ASSETS		4,012,216	4,757,888
CURRENT LIABILITIES			
Trade and other payables	10	1,474,605	1,916,766
Borrowings	11	-	36,424
Current tax		-	12,756
Provisions	12	52,156	50,605
Centre for Compliance fund	13	30,704	46,506
TOTAL CURRENT LIABILITIES		1,557,465	2,063,057
NON CURRENT LIABILITIES			
Borrowings	11	-	455,290
Provisions	12	54,295	47,183
TOTAL NON-CURRENT LIABILITIES		54,295	502,473
TOTAL LIABILITIES		1,611,760	2,565,530
NET ASSETS		**2,400,456**	**2,192,358**
EQUITY			
Retained earnings		2,400,456	2,192,358
TOTAL EQUITY		**2,400,456**	**2,192,358**

Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2011

	$
RETAINED EARNINGS AT 1 JULY 2009	2,158,540
Comprehensive income	33,818
RETAINED EARNINGS AT 30 JUNE 2010	2,192,358
Comprehensive income	208,098
RETAINED EARNINGS AT 30 JUNE 2011	**2,400,456**

Statement of cash flow

FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011	2010
CASH FLOW FROM OPERATING ACTIVITIES:		**$**	**$**
Receipts from members and others		2,514,280	3,082,143
Payments to suppliers and employees		(2,285,493)	(2,023,729)
Interest received		68,238	52,491
Finance costs paid		(32,011)	(39,521)
Income tax paid		(12,756)	(6,842)
Net cash generated from operating activities	16	252,258	1,064,542
CASH FLOW FROM INVESTING ACTIVITIES:			
Payment for property, plant & equipment		(57,815)	(89,895)
Net cash used in investing activities		(57,815)	(89,895)
CASH FLOW FROM FINANCING ACTIVITIES:			
Payment from Centre for Compliance Fund		(15,803)	(23,840)
Repayment of bank loan		(491,715)	(8,285)
Net cash used in financing activities		(507,518)	(32,125)
NET INCREASE/ (DECREASE) IN CASH HELD		(313,075)	942,522
Cash and cash equivalents at the beginning of the financial year		1,796,767	854,245
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	6	**1,483,692**	**1,796,767**

The accompanying notes form part of these financial statements.

FOR THE YEAR ENDED 30 JUNE 2011

The financial statements are for Australian Security Industry Association Limited (the company) as an individual entity incorporated and domiciled in Australia. The company is limited by guarantee.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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.

The financial statements were authorised for issue on 25 August 2011 by the directors of the company.

Accounting Policies

(a) Revenue Recognition

Members' and other subscriptions or fees are accounted for when received and recognised as income in equal monthly amounts over the period to which they apply.

Income in respect of the various activities of the company, with the exception of special events / functions, is recognised when invoiced. Income in respect of special events / functions is recognised when received.

Income received and expenses incurred in advance of activities are recognised when the activity is completed. If a loss is expected, a provision for the likely loss is made as soon as it becomes apparent.

All revenue is stated net of Goods and Services Tax (GST).

(b) Development of New Services

Costs of developing new services are expensed as incurred.

(c) Income Tax

The company is exempt from income tax as a result of being registered as an employer organisation under the Fair Work (Registered Organisation) Act 2009.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(e) Trade and Other Receivables

Trade receivables are recognised and carried at the original invoiced amount. A provision for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

(f) Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets are recognised in other comprehensive income and reduce the revaluation surplus in equity. All other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Office Equipment

Office equipment is measured on the cost basis and is therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of office equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(i) for details of impairment).

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings – straight line basis	2.5%
Office equipment – diminishing value basis	10% - 66.7%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(g) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

(h) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Financial assets at fair value through profit or loss

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(j) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the entity to employee's superannuation funds and are charged as expenses when incurred.

(l) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(m) 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 components 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.

(n) Comparative Figures

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

(o) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments 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 company.

Key Estimates

Impairment

The freehold land and buildings were acquired in November 2008. At 30 June 2011 the directors reviewed property prices in the area and concluded that the carrying value does not exceed the recoverable amount of land and buildings at 30 June 2011.

(p) Economic Dependence

The company is dependent on being recognised as the peak national body representing the interests of the security industry.

	2011	2010
2. REVENUE	$	$
Revenue from operating activities		
Members' subscriptions	1,409,671	1,323,198
Exhibition, conference and seminars	218,320	244,806
Member marketing fee	101,628	103,493
Cabling providers registrations	128,810	131,412
Magazine	169,995	179,848
Breakfast briefings	44,775	42,253
Grading, seminars and workshops	52,265	49,707
Insurance support	45,000	45,000
Special events	46,764	42,864
Consultancy	7,860	2,639
Strategic partnership	27,937	18,182
Fairwork Ombudsman project grant	103,011	-
Miscellaneous income	31,734	28,066
Total revenue from operating activities	2,387,770	2,211,468
Revenue from investment activities		
Rental income	53,096	25,322
Interest	68,238	52,491
Total revenue from non-operating activities	121,334	77,813
Total revenue from ordinary activities	**2,509,104**	**2,289,281**

	2011	2010
3. OTHER EXPENSES		
Include:		
Bad debts	915	8,836
Auditor remuneration		
Audit (Including $2,000 under-provision re prior year)	18,000	17,500
Other services	22,660	18,161
	40,660	35,661
Public relations - government	98,176	68,610
Consulting	110,882	109,160
Donations	5,400	4,091
Legal	12,830	37,690
Meetings – members,directors and reference groups	51,227	55,101
Website	41,240	16,892

4. TAX EXPENSE

The prima facie tax at 30% (2010: 30%) on the profit/ (loss) from ordinary activities before income tax differs from the income tax expense as follows:

	2011	2010
Prima facie tax on profit/ (loss) from ordinary activities	-	19,190
Tax effect of permanent differences:		
(Profit)/loss from mutual activities	-	22,192
Investment incentive	-	(6,562)
Deferred tax asset not recognised	-	(4,740)
Other	-	69
Tax expense	-	**30,149**
The components of tax expense comprise:		
Current tax	-	**30,149**

The company was exempt from income tax from 1 July 2010 as a result of being registered as an employer organisation under the Fair Work (Registered Organisations) Act 2009.

	2011	2010
5. KEY MANAGEMENT PERSONNEL COMPENSATION	**$**	**$**
Short term benefits		
Salary	327,556	317,401
Superannuation	28,666	28,227
Total	**356,222**	**345,628**

6. CASH AND CASH EQUIVALENTS		
Current		
Cash at bank and on hand	199,484	141,408
Short-term bank deposits	1,284,208	1,655,359
	1,483,692	1,796,767

$13,592 (2010 $12,745) of the short-term bank deposits are bonds paid to the company by tenants.

7. TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	86,782	529,846
Less: provision for impairment	(20,000)	(30,000)
	66,782	**499,846**

Provision for impairment as at 30 June 2009	30,000
Charge for year	8,836
Written off	(8,836)
Provision for impairment as at 30 June 2010	30,000
Charge/(credit) for year	(10,915)
Written off	915
Provision for impairment at 30 June 2011	**20,000**

This year, for the first time, subscriptions were invoiced and accounted for when received. In prior years, they were invoiced and accounted for prior to their due date. This has had the effect of reducing trade receivables and unearned income in the balance sheet this year compared with prior years. It has not affected the income statement as subscriptions continue to be recognised as income over the period to which they relate.

Credit Risk – Trade Receivables

There are no trade receivables in respect of subscriptions as they are invoiced only when received. The company's credit terms in respect of services and activities are 30 days. Overdue debts are pursued and monitored by management. They are assessed for impairment and provided for where specific circumstances indicate that the debt may not be paid in full to the company.

The company does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the company's trade receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided thereon.

The balances of receivables that remain within the initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due not impaired	Not due not impaired
2011	**$**	**$**	**$**	**$**
<30 days	22,622	-	-	22,622
31-60 days	40,084	-	-	40,084
61-90 days	13,051	8,975	4,076	-
>90 days	11,025	11,025	-	-
	86,782	**20,000**	**4,076**	**62,706**

2010	Gross amount $	Past due and impaired $	Past due not impaired $	Not due not impaired $
<30 days	104,210	-	-	104,210
31-60 days	406,655	11,000	-	395,655
61-90 days	15,703	15,703	-	-
>90 days	3,278	3,278	-	-
	529,846	29,981	-	499,865

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

Receivables that are overdue and impaired are covered by the provision for impairment of $20,000.

	2011 $	2010 $
8. OTHER ASSETS		
Current		
Prepayments	57,157	61,664

9. PROPERTY, PLANT & EQUIPMENT

	2011	2010
Freehold land and building – at cost	2,224,559	2,224,559
Less: accumulated deprecation	(3,655)	(2,097)
	2,220,904	2,222,462
Office equipment, furniture & fittings - at cost	355,635	297,818
Less: accumulated depreciation	(171,954)	(120,669)
	183,681	177,149
Total Property, plant & equipment	2,404,585	2,399,611

A mortgage over the land and building has been fully paid off during the year (see note 11).

Movements in Carrying Amounts

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 Building	Office Equipment and Software	Total
2010	$	$	$
Balance at the beginning of the year	2,224,020	144,617	2,368,637
Additions at cost	-	89,896	89,896
Disposals	-	(9,130)	(9,130)
Depreciation expense	(1,558)	(48,234)	(49,792)
Carrying amount at end of year	2,222,462	177,149	2,399,611
2011			
Balance at the beginning of the year	2,222,462	177,149	2,399,611
Additions at cost	-	57,817	57,817
Disposals	-	-	-
Depreciation expense	(1,558)	(51,285)	(52,843)
Carrying amount at end of year	2,220,904	183,681	2,404,585

Asset revaluations

The freehold land and buildings were acquired in November 2008. The directors reviewed the property market for the area and are satisfied that the carrying value does not exceed the recoverable amount of land and buildings at 30 June 2011.

	2011	2010
10. TRADE AND OTHER PAYABLES	$	$
Current		
Trade payables	104,904	191,488
Employee benefits (other than office holders)	27,460	24,034
Other current payables	79,119	112,726
	211,483	328,248
Unearned income -		
Events income	71,763	73,801
Cablers registration	209,965	205,424
Membership subscriptions	980,576	1,300,061
Advertising	818	9,232
	1,263,122	1,588,518
	1,474,605	**1,916,766**
Financial liabilities at amortised cost classified as trade and other payables	**211,483**	**328,248**
11. BORROWINGS		
Current		
Bank loan	-	36,424
Non-Current		
Bank loan	-	455,290
Total bank loan	-	**491,714**

The bank loan was secured by a first mortgage over the land and buildings.

	2011	2010
12. PROVISIONS		
Current		
Provision for employee benefits	**52,156**	**50,605**
Non-Current		
Provision for employee benefits	**54,295**	**47,183**
Provision for employee benefits		
Balance at the beginning of the year	97,788	115,693
Additional provision raised during the year	8,663	-
Amounts used	-	(17,905)
Balance at the end of the year	**106,451**	**97,788**
13. CENTRE FOR COMPLIANCE		
Current		
Movement in Centre for Compliance fund:		
Balance at 1 July 2010	46,506	70,347
Less: expenditure	(15,802)	(23,841)
Balance at 30 June 2011	**30,704**	**46,506**

14. SHARE CAPITAL

There are no issued shares. The company is limited by guarantee. The liability of each member in respect of liabilities of the company is limited to $100.

15. SEGMENT INFORMATION

Segment locations

The Company operates in one business and geographical segment being a not-for-profit industry association within the Security Industry throughout Australia.

16. CASH FLOW INFORMATION

Reconciliation of the profit for the year with cash flow from operations:	2011 $	2010 $
Profit/ (loss) after tax	208,099	33,819
Non-cash items		
Depreciation	52,843	49,792
(Decrease)/increase in employee provisions	8,666	(17,908)
Loss on disposal of fixed assets	-	9,130
Changes in assets and liabilities		
Decrease/ (increase) in trade receivables	433,064	(397,632)
Decrease/ (increase) in other debtors	-	24,580
Decrease/ (increase) in prepayments	4,506	(12,629)
Increase/ (decrease) in trade payables	(86,584)	107,517
Increase/(decrease) in other current payables	(30,181)	107,514
Increase/ (decrease) in deferred income	(325,395)	1,143,502
Increase/ (decrease) in income tax payable	(12,760)	16,857
Net cash flow from operating activities	**252,258**	**1,064,542**

17. RELATED PARTY TRANSACTIONS

Any person having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

Key management personnel compensation is detailed in Note 5.

The directors do not receive any compensation from the company other than reimbursement of their travel expenses incurred as directors. Directors who are members of the company deal with the company on the same terms as all other members unless otherwise stated.

18. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist of deposits with banks and accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies in Note 1, are as follows:

	Note	2011	2010
Financial Assets		$	$
Cash and cash equivalents	6	1,483,692	1,796,767
Receivables	7	66,782	499,846
Total Financial Assets		1,550,474	2,296,613
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables (excluding annual leave and deferred income)	10	211,483	328,248
Borrowings	11	-	491,714
Total Financial Liabilities		**211,483**	**819,962**

Financial Risk Exposures and Management

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

a. Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company.

The company's material credit risk exposures are trade receivables and cash deposited with banks.

The company's exposure to credit risk arising from trade receivables is dealt with in Note 7.

The company deposits cash only with government guaranteed Australian banks. Cash was with the following banks at the year end:

	Note	2011	2010
		$	$
ANZ		199,484	141,408
ING		725,978	1,655,359
Citibank		279,130	-
Rabo Direct		279,100	-
	6	1,483,692	1,796,767

b. Liquidity Risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk by preparing regular cash flow forecasts and managing credit risks.

The table below reflects undiscounted financial liabilities and cash flows from financial assets that reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
Financial liabilities	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
due for payment	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Trade and other payables	197,891	315,303	13,592	12,945	-	-	211,483	328,248
Bank loan	-	36,424	-	182,116	-	273,175	-	491,714
Total expected outflows	197,891	351,727	13,592	195,061	-	273,175	211,483	819,962
Financial assets – cash flows realisable								
Cash and cash equivalents	912,071	1,784,022	571,622	12,745 -	-		1,483,693	1,796,767
Trade, term and loans receivables	66,782	499,846	-	-	-	-	66,782	499,846
Total anticipated inflows	978,853	2,283,868	571,622	12,745	-	-	1,550,475	2,296,613
Net (outflow)/inflow on financial instruments	**780,962**	**1,932,141**	**558,030**	**(182,316)**	-	**(273,175)**	**1,338,992**	**1,476,651**

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.

At the year end all cash deposited with Rabobank and Citibank (approximately 45% of cash on deposit) was at fixed interest rates and cash deposited with ING was at variable rates (approximately 55% of cash on deposit).

Sensitivity Analysis

	2011	2010
A 2% variation in interest rates during the year would have affected the profit before income tax for the year by	24,479	14,850

Net Fair Value

Fair value estimation

The fair values of financial assets and financial liabilities are considered to be equal to their carrying values as presented in the statement of financial position.

19. CAPITAL MANAGEMENT

The directors control the capital of the entity to ensure that adequate cash flows are generated to fund its objectives.

Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of retained earnings. A significant portion of the company's net assets consists of cash and cash equivalents.

	Note	2011	2010
		$	$
Retained earnings		2,400,456	2,192,358
Cash and cash equivalents	6	1,483,692	1,796,767

20. INFORMATION TO BE PROVIDED TO MEMBERS

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

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

21. COMPANY DETAILS

The registered office and principal place of business of the company is 41 Hume Street, Crows Nest NSW 2065.