

WILLIAMS, Margaret

From: PFEIFFER, Robert
Sent: Wednesday, 3 July 2002 4:13 PM
To: STEWART, Iain
Subject: Financial Reporting Matter # FR2002/317 Allocated (First Reminder)

Matter # - FR2002/317
Matter Type - WR280 - Financial reports
Short Title - Financial Reporting matter re: 200V Police Federation of Australia
Allocated From - None

Email Address: pfa@pfa.org.au
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Gateshead Business Centre
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252146.DOC



Police Federation
of Australia

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Tel: (02) 4944 7922

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21 November 2002

FR2002/317

Mr Robert Pfeiffer
Statutory Services Branch
Australian Industrial Registry
Level 35, Nauru House
80 Collins Street
MELBOURNE VIC 3001

Dear Mr Pfeiffer

**Re: Auditor's Report, Accounts and Statements for the Police Federation of
Australia for the year ended 30 June 2002**

Please find attached –

1. Statement of Accounts for the Police Federation of Australia for the year ended 30 June 2002
2. Committee of Management Certificate signed by Ian Ball, Executive Member of the Police Federation of Australia and Shane Butler, Treasurer of the Police Federation of Australia
3. Accounting Officer's Certificate signed by Mark Burgess
4. Independent Auditor's report signed by Mr Loi Kah Tsia, B.Com., F.C.A. Chartered Accountant

The above accounts were circulated to members via affiliate Branches and were presented to the Police Federation of Australia Federal Council Meeting held in Queensland on Tuesday 12 November 2002-11-21

Sincerely yours

Mark Burgess

Mark Burgess
Chief Executive Officer



POLICE FEDERATION OF AUSTRALIA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002


POLICE FEDERATION OF AUSTRALIA

COMMITTEE OF MANAGEMENT'S CERTIFICATE

We, Ian Ball and Shane Butler, being two members of the Committee of Management of the Police Federation of Australia do state on behalf of the Committee and in accordance with a resolution passed by the Committee that:

- i) In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Federation as at 30 June 2002.
- ii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 30 June 2002, in accordance with the rules of the Federation.
- iii) To the knowledge of any member of the Committee, there have been, during the year ended 30 June 2002, no instances where records of the organization or other documents (not being documents containing information made available to a member of the Federation under Sub-Section 274[2] of the Workplace Relations Act, 1996), or copies of those records or documents, or copies of the rules of the Federation, have not been furnished, or made available, to members in accordance with the requirements of the Workplace Relations Act, 1996, the Regulations thereto, or the rules of the Federation.
- iv) The Federation has complied with Sub-Sections 279[1] and [6] of the Act in relation to the financial accounts in respect of the period ended 30 June 2002 and the Auditor's Report thereon.

SIGNED AT SYDNEY this 20th day of September, 2002



IAN BALL



SHANE BUTLER

POLICE FEDERATION OF AUSTRALIA

ACCOUNTING OFFICER'S CERTIFICATE

I, Mark Burgess, being the Officer responsible for keeping the accounting records of the Police Federation of Australia, certify that as at 30 June 2002 the number of members of the Federation was 32558.

In my opinion:

- i) The attached accounts show a true and fair view of the financial affairs of the Federation as at 30 June 2002.
- ii) A record has been kept of all monies paid by, or collected from members and all monies paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Federation.
- iii) Before any expenditure was incurred by the Federation, approval of the incurring of the expenditure was obtained in accordance with the rules of the Federation.
- iv) With regard to funds of the Federation raised by compulsory levies or voluntary contributions from members, or funds other than the general fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Federation, were made to persons holding office in the Federation.
- vi) The register of the Federation was maintained in accordance with the Workplace Relations Act, 1996.

SIGNED AT SYDNEY this 20th day of September, 2002

Mark Burgess

MARK BURGESS

POLICE FEDERATION OF AUSTRALIA INDEPENDENT AUDIT REPORT

To the members of the Police Federation of Australia.

SCOPE

I have audited the financial accounts of the Police Federation of Australia for the year ended 30 June 2002. The Federation's Board of Management and Accounting Officer are responsible for the preparation and presentation of the financial accounts and the information they contain. I have conducted an independent audit of these financial accounts in order to express an opinion on them to the members of the Federation.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial accounts are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial accounts are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements so as to present a view of the Federation which is consistent with my understanding of its financial position and the results of its operations.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

I have received all the information and explanations required for the purposes of my audit.

In my opinion:

- (i) There were kept by the Federation in respect of the period under review, satisfactory records detailing the sources and nature of income of the Federation [including income from members] and the nature and purposes of expenditure, and
- (ii) The attached accounts are prepared in accordance with Section 273 of the Workplace Relations Act, 1996. The accounts have been prepared from the accounting records of the Federation and are properly drawn up so as to give a true and fair view of:
 - [a] the financial affairs of the Federation as at 30 June 2002; and
 - [b] the income and expenditure and surplus of the Federation for the year ended on that date;

and are in accordance with Applicable Accounting Standards and other mandatory professional reporting requirements.

SIGNED AT SYDNEY this 20th day of September, 2002.



LOI KAH TSIA, B.COM., F.C.A.
Chartered Accountant
Registered Company Auditor
Suite 201, 2nd Floor
309 Pitt Street
SYDNEY NSW 2000

Police Federation of Australia
Balance Sheet as at 30th June 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
<u>Accumulated Funds</u>		\$300,298	\$165,499
 <u>Represented by</u>			
 <u>Current Assets</u>			
PCU Easy Access account		94868	65684
PCU Savings accounts		239252	101191
PCU membership fees		10	10
Sundry debtors	3	600	19536
Amounts due from branches	4	-	4032
		<u>334730</u>	<u>190453</u>
 <u>Non Current Assets</u>			
Plant & Equipment	21934		
Less provision for depreciation	<u>18682</u>	3252	5526
Motor vehicle	37695		
Less provision for depreciation	<u>8952</u>	<u>28743</u>	<u>34397</u>
		<u>31995</u>	<u>39923</u>
Total Assets		<u>366725</u>	<u>230376</u>
 <u>Less Current Liabilities</u>			
Trade creditors and accruals	5	49290	51224
Provision for annual leave	6	4067	1719
Provision for long service leave	7	6470	2794
Provision for GST		6600	9140
Total liabilities		<u>66427</u>	<u>64877</u>
Net assets		<u>\$300,298</u>	<u>\$165,499</u>

Police Federation of Australia
Income & Expenditure account
For the year ended 30th June 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
<u>Income</u>			
Affiliation fees from branches		574477	564610
Interest received		6599	3061
Profits from sale of NRMA shares		-	1812
		<u>\$581,076</u>	<u>\$569,483</u>
 <u>Less expenditure</u>			
Audit and accounting fees	8	20353	17800
Annual leave	6	10851	1719
ACTU Affiliation fees		55889	54186
Bank charges and duties		253	883
Computer and software expenses		15455	4847
Delegation expenses		152164	144599
Depreciation		6789	6953
FBT		36868	17502
General office expenses		28275	15305
Insurances		2270	4234
Legal fees		3236	7812
Long Service Leave	7	3676	3815
Loss on disposal of assets		1139	5330
Motor vehicle expenses		5082	4301
Rents and storage		1136	16064
Salary & packaging		88805	99402
Superannuation		8270	19048
Telephone		5766	9300
Total Expenditure		<u>446277</u>	<u>433100</u>
Net Surplus for the year		134799	136383
Accumulated funds at beginning of year		165499	29116
Accumulated funds at end of year		<u>\$300,298</u>	<u>\$165,499</u>

POLICE FEDERATION OF AUSTRALIA

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

1. STATEMENT OF ACCOUNTING POLICIES

The accounts have been prepared in accordance with Statements of Accounting Concepts, other mandatory professional reporting requirements and the Workplace Relations Act, 1996. The accounts have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the economic entity in the preparation of the accounts.

- a) Depreciation of fixed assets is calculated on the straight line basis in order to write the assets off over their useful life.
- b) Provision for employee benefits in the form of Long Service Leave and Accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.

Long Service Leave has been calculated with reference to period of service and current salary rates.
- c) No provision for Income Tax is necessary as the income of the Federation is exempt from Income Tax under Section 50 – 15 of the Income Assessment Act.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1966 the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 274 which read as follows:-

- (1) A member of an organization, or a Registrar, may apply to the organization for specified prescribed information in relation to the organization.
- (2) An organization shall, on application made under Sub-Section (1) by a member of the organization or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under Sub-Section (1) at the request of a member of the organization concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

Police Federation of Australia
Notes To and Forming Part of The Account
For the year ended 30th June 2002

	<u>2002</u>	<u>2001</u>
3. <u>Sundry debtors</u>		
Tax refund due from ATO	\$600	\$19,536
	<u> </u>	<u> </u>
4. <u>Amount due from branches</u>		
Northern Territory Police Association	-	1191
Australian Federal Police Association	-	2841
	<u>\$ -</u>	<u>\$4,032</u>
5. <u>Creditors and accruals</u>		
Staff superannuation	10421	-
PAYG re staff wages	4122	17608
Audit and accounting fees	16500	17100
Various consulting and expenses	18247	16516
	<u>\$49,290</u>	<u>\$51,224</u>
6. <u>Provision for Annual Leave</u>		
Balance as at 1.7.2001	1719	16002
Less paid during the year	[8503]	[8278]
	<u>[6784]</u>	<u>7724</u>
Overprovision written back to wages	-	[7724]
	<u>[6784]</u>	<u>-</u>
Add additional provision for the year	10851	1719
Balance as at 30.6.2002	<u>\$4,067</u>	<u>\$1,719</u>
7. <u>Provision for Long Service Leave</u>		
Balance as at 1.7.2001	2794	56981
Add additional provision for the year	3676	3815
	<u>6470</u>	<u>60796</u>
Less paid during the year	-	[58002]
Balance as at 30th June 2002	<u>\$6,470</u>	<u>\$2,794</u>
8. <u>Auditor's Remuneration</u>		
Audit fees	8250	8500
Other services	12103	9300
	<u>\$20,353</u>	<u>\$17,800</u>
9. <u>Delegation expenses</u>		
Consultancy	56311	49520
Conference	41400	35094
Executive Expenses	45132	38258
Lobbying	9321	21727
	<u>\$152,164</u>	<u>\$144,599</u>
10. <u>Cash Reconciliation</u>		
For the purpose of the Statement of cash flows, cash at the end of the financial year is reconciled to the following items in the Balance Sheet.		
Cash with financial institutions	<u>\$334,130</u>	<u>\$166,885</u>

Police Federation of Australia
Notes To and Forming Part of The Account
For the year ended 30th June 2002

	<u>2002</u>	<u>2001</u>
11. <u>Cash Flow from Operating Activities</u>		
Receipt from members	634044	617985
Sale of NRMA shares	-	1812
Interest received	6599	3061
TOTAL Cash Received from operating activities	<u>640643</u>	<u>622858</u>
Less operating activities expenses and payment of employee entitlement	<u>473398</u>	<u>576315</u>
Net increase in cash held	167245	46543
Cash at beginning of financial year	166885	120342
Cash at end of financial year	<u><u>\$334,130</u></u>	<u><u>\$166,885</u></u>

Police Federation of Australia

Depreciation Schedule as at 30th June 2002

<u>Description of each unit</u>	<u>Original Cost</u>	<u>Opening Written Down Value</u>	<u>Disposals</u>	<u>Profit/Loss</u>	<u>Total Value For Depreciation</u>	<u>Rate %</u>	<u>Prime Cost Method</u>	<u>Closing Written Down Value</u>
Computer laptop	6073	-			-	33.3	-	-
Laser printer	918	459			459	33.3	306	153
Scanner	418	244			244	33.3	139	105
Calculator	84	-	w/ off		-	20	-	-
Microwave	200	-	w/ off		-	20	-	-
Filing Cabinet	275	67			67	10	28	39
Cupboard	504	150			150	10	50	100
Desk Lamp	59	2	w/ off	2	2	10	-	-
Urn	242	-	w/ off		-	20	-	-
Bookcase	90	33	w/ off	33	33	10	-	-
3 Door Cabinet	250	105			105	10	25	80
Shredder	759	144			144	20	144	-
Photocopier	8890	-			-	25	-	-
Stapler	264	51	w/ off	51	51	20	-	-
Coat Cupboard	370	265			265	10	37	228
Banner	1270	986			986	10	127	859
Tsf pfan	1350	750	w/ off	750	750	20	-	-
Fax Machine	467	390			390	33.3	156	234
Mobile Phone	363	303	w/ off	303	303	33.3	-	-
Furniture	1640	1579			1579	7.5	123	1456
		5528		1139	5528		1135	3254
Motor Vehicle								
Holden	37695	34397			34397	15	5654	28743
TOTAL		\$39,925		\$1,139	\$39,925		\$6,789	\$31,997



Police Federation
of Australia

ABN 31 384 184 778

PO Box 2123

Gateshead Business Centre

NSW 2290

Tel: (02) 4944 7922

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FR 2002/317

28 November 2002

Australian Industrial Registry
Level 35, Nauru House
80 Collins Street
MELBOURNE VIC 3001

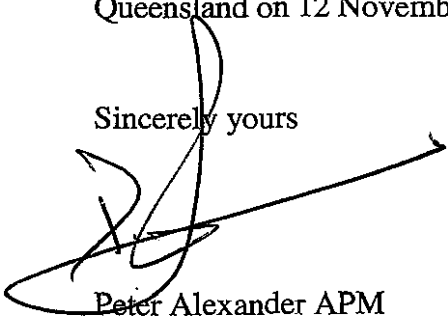
**Re: Auditor's Report, Accounts and Statements for the Police
Federation of Australia for the year ended 30 June 2002**

Please be advised that copies of the Police Federation of Australia's Statement of Accounts for the year ended 30 June 2002 were forwarded to you by Mark Burgess on 21 November 2002.

Such documents contained the Committee of Management Certificate signed by Ian Ball, Executive Member and Shane Butler, Treasurer as well as the Accounting Officers Certificate signed by Mark Burgess and the Independent Auditor's report signed by Mr Loi Kah Tsia, B.Com., F.C.A. Chartered Accountant.

I hereby certify that the accounts have been duly circulated to members and presented at the Police Federation of Australia's Federal Council Meeting in Queensland on 12 November 2002 where they were duly endorsed.

Sincerely yours



Peter Alexander APM
President

File Note

AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

Contact Officer: Rosalind Read
Matter No: FR2002/317
Date: 28 November 2002
Time: 2:47 PM

- Spoke to Mark Burgess on telephone
- Requested that a secretary's certificate be lodged under signature of an officer of the association.
- Mark will lodge a new certificate with appropriate signature



DRAFT

AUSTRALIAN INDUSTRIAL RELATIONS COMMISSION

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Mr Mark Burgess
Chief Executive Officer
Police Federation of Australia
PO Box 2123
Gateshead Business Centre, NSW 2290

Dear Mr Burgess,

RE: FR2002/317 - Lodgement of Financial Return for year ending 30 June 2002

Receipt is acknowledged of the financial documents of the Police Federation of Australia for the year ended 30 June 2002. The documents were lodged in the Principal Registry of the Australian Industrial Registry on 26 November 2002.

The documents have been filed.

Having regard to the requirements of Part IX, Division 11, of the *Workplace Relations Act 1996* (the Act) and the *Workplace Relations Regulations* (the Regulations) your attention is drawn to the following matters which are advised for assistance in relation to the preparation of such documents in future; no further action is required with regard to these documents in relation to this year:

Accounting Officer's certificate

A certificate prepared under regulation 109(1)(a) is to be prepared by the officer of the organisation responsible for the keeping of the accounting records of the organisation refer regulation 109(4). An examination of the rules of the organisation indicates that the Federal Treasurer rather than the Chief Executive Officer is the appropriate person to prepare such certificate.

The signatory of the Accounting Officer's certificate must be an officer of the organisation as defined by s.4 of the Act. The rules of your organisation appear to indicate that the Chief Executive Officer is not an officer of the organisation pursuant to this definition.

Committee of Management Certificate

Regulation 109(1)(b)(iv) requires the Committee of Management to certify whether or not the branch had complied with the requirements of section 279 in respect of the financial documents of the financial year immediately preceding the financial year to which the lodged accounts relate, that is the year ended 30 June 2001.

Paragraph (iv) of the Committee of Management certificate lodged referred to the year ended 30 June 2002. It should be noted that this part of the committee of management's certificate always refers back to the preceding year.

Statement of Income and Expenditure

An examination of the statement of Income and Expenditure in the financial return reveals disclosure of an amount for "Salary and packaging" of \$88,805. It appears that this disclosure may aggregate several items which are required by

regulation 107(a) to be disclosed separately. It is unclear from the statement what amounts are included in this disclosure.

The disclosure in respect of salaries should have been identified as having been paid to either "holders of office" or "employees" as required by subregulations 107(a)(xiv) and (xv).

Should you wish to discuss the matters raised in this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7985.

Yours sincerely,

Rosalind Read
Statutory Services Branch - Melbourne

26 November 2002