



**Australian Government**

**Australian Industrial Registry**

Level 5, 11 Exhibition Street  
Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7777  
Fax: (03) 9655 0410  
Email: melbourne@air.gov.au

Mr Vince Kelly  
President  
Police Federation of Australia  
Level 1  
21 Murray Crescent  
GRIFFITH ACT 2603

Dear Mr Kelly,

**Police Federation of Australia  
Financial Reports for the Year Ended 30 June 2007 – FR2007/431  
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial reports of the Police Federation of Australia for the year ended 30 June 2007. The documents were lodged in the Industrial Registry on 19 November 2007.

The documents have been filed and no further action is requested

I note the financial documents include an Accounting Officer's Certificate. This certificate is a document that was required under the former financial reporting requirements of the WR Act and is no longer required under the RAO Schedule as it has, in effect, been replaced by the Operating Report.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/200Vfed>.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R. Pfeiffer'.

Robert Pfeiffer  
Statutory Services Branch

7 March 2008



Police Federation  
of Australia

ABN 31 384 184 778

Level 1, 21 Murray Crescent  
GRIFFITH ACT 2603

Tel: (02) 6239 8900

Fax: (02) 6239 8999

16 November 2007

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

Dear Mr Pfeiffer

**Designated Officer's Certificate**

I, Vince Kelly, being the President of the Police Federation of Australia, certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 12 October 2007; and
- That the full report was presented to the annual meeting of the Police Federation of Australia Federal Council held in Rotorua, New Zealand on 5 & 6 November 2007, in accordance with section 266 of the RAO Schedule.

Yours sincerely

Vince Kelly  
President

**POLICE FEDERATION OF AUSTRALIA**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2007**

POLICE FEDERATION OF AUSTRALIA

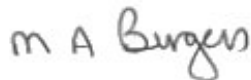
ACCOUNTING OFFICER'S CERTIFICATE

I, Mark Burgess, being the Officer responsible for keeping records of the Police Federation of Australia, certify that as at 30 June 2007, the number of members of the Federation was 51,007.

In my opinion:

- (i) The attached accounts show a true and fair view of the financial affairs of the Federation as at 30 June 2007.
- (ii) A record has been kept of all the 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.
- (vii) The attached Accounts have been prepared in accordance with applicable Australian Accounting Standards.

SIGNED AT CANBERRA this 17th day of September 2006



MARK BURGESS

## OPERATING REPORT

- a) The PFA's principal activities throughout the year were determined by the 2006 Federal Council Meeting and have been coordinated by the Federal Executive.

Those activities included a number of issues as outlined in the PFA's pre-election document "Law and Order in Australia: Policies for the future" and reported on in the 2006/07 Annual Report.

They included:

- An exemption from Superannuation Preservation Age requirements for police.
- The development of policing from an occupation to a profession by continued participation in the Australasian Police Professional Standards Council (APPSC).
- The development of a Police Overseas Workers' Compensation and Rehabilitation Bill to cover workers compensation & rehabilitation arrangements for Australian police working on overseas deployments.
- Greater sworn police resourcing of the Australian Federal Police.
- A \$17,000 capped Fringe Benefit Tax exemption as provided to public hospital nurses and ambulance officers.
- Outstanding issues surrounding the International Deployment Group (IDG).
- Concerns about the impact of Work Choices legislation on Australia's police.
- The development of Police Unions in the South Pacific
- Submissions to Parliamentary Inquiries including:
  - Inquiry into the Northern Territory (National Emergency Response) Bill 2007 and associated Bills by the Senate Standing Committee on Legal and Constitutional Affairs
  - Inquiry into the Future Impact of Serious and Organised Crime by the Parliamentary Joint Committee on the Australian Crime Commission
  - Inquiry into Australia's Involvement in Peacekeeping Operations by the Senate Standing Committee on Foreign Affairs, Defence and Trade
  - Inquiry into the Telecommunications (Interception and Access) Amendment Bill 2007 by the Senate Standing Committee on Legal and Constitutional Affairs
  - Inquiry into Mental Health Services in Australia by the Senate Community Affairs Committee
  - Inquiry into the Crime Legislation Amendments (National Investigation Powers and Witness Protection) Bill 2006 by the Senate Legal and Constitutional Affairs Committee.
- Submissions to the Police Commissioner's Conference (PCC), the Australasian Police Ministers' Council (APMC) and the Senior Officers' Group (SOG).
- Participation in the International Council of Police Representative Associations (ICPRA) Executive Committee.

- Submissions and debates on the impact and responses to terrorism on policing and the Australian community.

There have been no significant changes in the financial affairs of the PFA during the past year.

A member may resign from membership of the Federation by notice in writing addressed and delivered to the Secretary of the member's Branch, Zone Secretary or Chief Executive Officer, as per PFA Rule 11 (b).

No officers of the PFA hold any position in relation to Superannuation entities.

- e) Prescribed information as per Regulation 159:
- i. At the 30 June 2007 the PFA had 41,693 members.
  - ii. At 30 June 2007 the PFA had three (3) employees.
  - iii. Committee of Management 1/7/06 – 30/6/07

Peter Alexander (South Australia)  
Jon Hunt Sharman (Australian Federal Police)  
Vince Kelly (Northern Territory)  
Michael Dean (Western Australia)  
Bob Pritchard (New South Wales)  
Brian Rix (Victoria)  
Randolph Wierenga (Tasmania)



For Committee of Management: Peter Alexander  
President

Dated this 17th day of September 2007

## **POLICE FEDERATION OF AUSTRALIA**

### **COMMITTEE OF MANAGEMENT'S CERTIFICATE**

On the 17<sup>th</sup> day of September 2007, the Committee of Management of the Police Federation of Australia passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2007.

The committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the Federation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the Federation including the rules of the branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the Federation; and
  - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member of Registrar; and
  - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Peter Alexander – President

Signature:

A handwritten signature in black ink, appearing to read 'Peter Alexander', with a long horizontal flourish extending to the right.

Date: 17<sup>th</sup> day of September 2007

**POLICE FEDERATION OF AUSTRALIA**

## INDEPENDENT AUDIT REPORT

To the members of the Police Federation of Australia

### SCOPE

I have audited the financial statements of the Police Federation of Australia for the year ended 30 June 2007. The Federation's Committee of Management is responsible for the preparation and presentation of the financial statements and the information contained therein. I have conducted an independent audit of these financial statements 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 statements are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, 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 statements are presented fairly in accordance with Australian Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and The Workplace Relations Act 1996 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 and cash flows.

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

### AUDIT OPINION

In my opinion:

- (i) There were kept by the Federation in respect of the year, satisfactory accounting 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 accompanying accounts and statements being the Statement of Income and Expenditure, Balance sheet, Statement of Cash Flows, Notes to and Forming Part of the Account and Committee of Managements certificate have been prepared in accordance with Section 273 of the Workplace Relations Act 1996 and are properly drawn up so as to fairly present:
  - [a] The state of affairs of the Federation as at 30 June 2007; and
  - [b] The income and expenditure and surplus of the Federation for the year ended on that date;
- (iii) The accounts have been prepared in accordance with applicable Accounting Standards.

Where necessary, I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my Audit.

SIGNED AT SYDNEY this 17th day of September 2007



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



**Police Federation of Australia**  
**Balance Sheet as at 30 June 2007**

	<u>Notes</u>	<u>2007</u>	<u>2006</u>
<b><u>Accumulated Funds</u></b>		<u>\$738793</u>	<u>\$619953</u>
<b><u>Represented by</u></b>			
<b><u>Current Assets</u></b>			
PCU Easy Access account	3	\$102385	\$25290
PCU Savings accounts	3	102436	98971
PCU membership fees	3	10	10
Cash on hand	4	38	15
Amounts due from branches	5	5608	22659
		<u>210477</u>	<u>146945</u>
<b><u>Non Current Assets</u></b>			
Property - 21 Murray Crescent Griffith ACT - At Cost	6	1016581	1016581
Plant & Equipment		28856	
Less provision for depreciation		<u>20953</u>	10064
Motor vehicle		42782	
Less provision for depreciation		<u>3744</u>	32089
		<u>1063522</u>	<u>1058734</u>
<b>Total Assets</b>		<u>1273999</u>	<u>1205679</u>
<b><u>Less Current Liabilities</u></b>			
Trade creditors and accruals	7	33800	32796
PCU loan secured over property	6	440481	488795
Provision for annual leave	8	7966	24953
Provision for long service leave	9	37426	30546
Provision for GST		15533	8636
<b>Total liabilities</b>		<u>535206</u>	<u>585726</u>
<b>Net Assets</b>		<u>\$738793</u>	<u>\$619953</u>

**Police Federation of Australia**  
**Income & Expenditure Account**  
**For the Year Ended 30 June 2007**

	<b><u>Notes</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
<b><u>Income</u></b>			
Campaign funds		257230	-
Affiliation fees from branches		745080	688147
Interest received		3989	4635
Rents received		37917	39980
Government grant – Research		4000	3000
Research contributions		32696	-
		<u>\$1080912</u>	<u>\$735762</u>
<b><u>Less expenditure</u></b>			
Audit and accounting fees	10	20700	22650
Annual leave	8	19613	16768
ACTU Affiliation fees	11	66262	62437
Bank charges and duties		86	133
Computer and website design		29566	27438
Delegation expenses	12	155531	164384
Depreciation		8515	8383
FBT		19463	33458
General office expenses	13	14824	19270
Industrial relations campaign		257230	-
Insurances		11997	8166
Legal fees		5224	12233
Long service leave	9	6880	5394
Loss on disposal of assets		12662	-
Motor vehicle expenses		8129	6553
National Memorial expenses	14	46164	15376
Property expenses	15	59576	66672
Salary & packaging		139967	171404
Superannuation		70763	22641
Telephone		8920	9491
<b>Total Expenditure</b>		<u><u>962072</u></u>	<u><u>672851</u></u>
Net Surplus for the year		118840	62911
Accumulated funds at beginning of year		<u>619953</u>	<u>557042</u>
<b>Accumulated funds at end of year</b>		<u><u>\$738793</u></u>	<u><u>\$619953</u></u>

POLICE FEDERATION OF AUSTRALIA  
NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2006

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements are a general purpose financial report that has been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views). The financial statements 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 now current assets. Cost is based on the fair values of the consideration given in exchange of 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 financial statements.

- (a) Depreciation  
Depreciation of fixed assets is calculated on the straight line method in order to write off the assets over their useful lives.
- (b) Employee Entitlements  
Provisions 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. Contributions are made by the entity to an employee superannuation fund and are charged as expense when incurred.
- (c) Leases  
Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor are charged as expenses in the periods in which they are incurred.
- (d) Income Tax  
No provision for Income Tax expense has been brought to account as the income of the Federation is exempt from Income Tax under Sections 50-15 of the Income Tax Assessment Act 1997.
- (e) Goods and Services Tax (GST)  
All incomes, expenses and assets are recognised net of the amount of GST. All debtors and creditors in the balance sheet are shown inclusive of GST.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-Sections (1), (2) and (3) of Section 272 which read as follows:

- (1) A member of a reporting unit, or a Registrar, 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).

**3. Statement of Cash Flows**  
**For the Year Ended 30 June 2007**

	<u>2007</u>	<u>2006</u>
<b><u>Cash Reconciliation</u></b>		
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>\$204831</u>	<u>\$124271</u>
<b><u>Cash Flow from Operating Activities</u></b>		
GST Received	108887	72915
Receipts from Members	761049	673004
Interest Received	3989	4634
Rents Received	37919	39980
Government Grant and Others	36696	33841
Campaign Funds Received	257230	-
Total Cash Received	<u>1205770</u>	<u>824374</u>
<b><u>Less Cash Flow from Investing &amp; Financial Activities</u></b>		
Payment of GST Expenses on Acquisition	64016	39124
Payment of GST to ATO	36802	25455
Payment of Industrial Relations Campaign Funds	257230	-
Payment of Employee's Entitlement	246494	200115
Payment of Loans to PCU	78000	120000
Payment of ACTU Affiliation Fee	66262	62437
Payment of Purchase of Office Equipment	-	1200
Payment of Motor Vehicle	42782	-
Payment of Other Expenses	314161	366889
Payment of FBT	19463	33457
Payment of fund held in Trust	-	100000
Total Expenditure	<u>1125210</u>	<u>948677</u>
Net Increase (Decrease) in Cash Held	80560	(124303)
Cash at the Beginning of Financial Year	<u>124271</u>	<u>248574</u>
Cash at the End of the Financial Year	<u>\$204831</u>	<u>\$124271</u>

**Police Federation of Australia**  
**Notes To and Forming Part of the Account**  
**For the Year Ended 30 June 2007**

	<b><u>2007</u></b>	<b><u>2006</u></b>
<b><u>4. Cash on Hand</u></b>		
Petty Cash	\$38	\$15
<b><u>5. Amount due from branches</u></b>		
Queensland Police Union	-	11060
Police Association of South Australia	5608	5009
Police Association of New Zealand	-	5145
Police Association of Tasmania	-	1445
	<u>\$5608</u>	<u>\$22659</u>
<b><u>6. Property-at-cost</u></b>		
21 Murray Crescent Griffith ACT Settled on 24.1.2003	<u>\$1016581</u>	<u>\$1016581</u>
<b><u>7. Creditors and accruals</u></b>		
PAYG re staff wages	10413	10796
Audit & accounting fees	22000	22000
Various expenses	1387	-
	<u>\$33800</u>	<u>\$32796</u>
<b><u>8. Provision for Annual Leave</u></b>		
Balance as at 1.7.2006	24953	18965
Add additional provision for the year	19613	16768
	44566	35733
Less paid during the year	36600	10780
Balance as at 30.6.2007	<u>\$7966</u>	<u>\$24953</u>
<b><u>9. Provision for Long Service Leave</u></b>		
Balance as at 1.7.2006	30546	25152
Add additional provision for the year	6880	5394
Balance as at 30.6.2007	<u>\$37426</u>	<u>\$30546</u>
<b><u>10. Auditor's Remuneration</u></b>		
Audit fees	7500	7500
Other services	13200	15150
	<u>\$20700</u>	<u>\$22650</u>

	<u>2007</u>	<u>2006</u>
<b><u>11. ACTU Affiliation Fees</u></b>		
Normal affiliation fee	<u>\$66262</u>	<u>\$62437</u>
<b><u>12. Delegation Expenses</u></b>		
Consultancy fees	13759	19009
Conference expenses	55161	72296
Executive expenses	50774	41707
IPC	11253	22154
WAC	15241	2292
APPSC/PSITAB	9343	6926
Delegates are not paid any fees or allowances To attend conferences or executive meetings	-	-
	<u>\$155531</u>	<u>\$164384</u>
<b><u>13. General Office Expenses</u></b>		
Filing fees	752	464
Police Superannuation Administrative fees	232	223
Printing, stationery & postage	9110	9388
Sundry office	4730	9195
	<u>\$14824</u>	<u>\$19270</u>
<b><u>14. National memorial Expenses</u></b>		
Badges & other	7820	5449
Graphic design website expenses	10250	5132
Executive expenses	470	1765
Legal fees	7655	3030
Dedication Ceremony	19969	-
	<u>\$46164</u>	<u>\$15376</u>
<b><u>15. Property Expenses</u></b>		
Cleaning & waste disposals	2250	2470
Council rates	8908	5610
Insurance - building	1722	1737
Interest - PCU	29686	34007
Land tax	9165	5930
Light & power	2028	2051
Repairs & maintenance	3748	13041
Stamp Duty	109	-
Security	577	541
Water rates	1383	1285
	<u>\$59576</u>	<u>\$66672</u>
<b><u>16. Employees Benefits</u></b>		
Employees benefit to holders of office		
Wage and salary	-	-
Annual leave paid to employees	-	-
Annual leave provision	-	-
Long service leave paid	-	-
Long service leave provision	-	-
Superannuation	-	-
	<u>2007</u>	<u>2006</u>
Employees benefit to employees (other than holders of office)		
Wage and salary	139967	171404
Annual leave paid to employees (see note 8)	36600	10780

Annual leave provision (see note 8)	19613	16768
Long service leave paid	-	-
Long service leave provision	6880	5394
Superannuation	70763	22641