



Australian Government

Australian Industrial Registry

Level 35, 80 Collins Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
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Mr James Torr
Chief Executive Officer
Australian Federal Police Association Branch
Police Federation of Australia
PO Box 100
DEAKIN WEST ACT 2600

Dear Mr Jim,

**Australian Federal Police Association Branch of the Police Federation of Australia
Financial Reports for the Year Ended 30th June 2005 – FR2005/277
Schedule 1B of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial reports of the Australian Federal Police Association Branch of the Police Federation of Australia for the year ended 30th June 2005. The documents were lodged in the Industrial Registry on 12th December 2005. Please excuse the delay in responding to you, our attention in recent months has been diverted to the new Workchoices legislation.

The documents have been filed.

I make the following comments to assist you when next preparing financial reports. You do not need to take any further action in respect of the financial documents already lodged.

Auditor's Report

The Audit Opinion which has been expressed by HR Moll of RSM Bird Cameron does not make express reference to the requirements of the Workplace Relations Act 1996. Section 257 of the RAO Schedule requires the Auditor to confirm whether the General Purpose Financial Report is presented fairly in accordance with both Australian Accounting Standards and the additional requirements of the RAO Schedule.

The following wording in the Auditor's Report would satisfy the requirements of section 257 of the RAO Schedule:

In our opinion, the General Purpose Financial Report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1B (RAO Schedule) of the Workplace Relations Act 1996.

Auditor's Disclaimer – Detailed Statement of Financial Performance

While some items of expense were included in the Notes to the Financial Statements which were subsequently audited (for example, legal costs; benefits paid to employees other than office holders; benefits paid to officers; donations), the documents which were lodged also included a two-page Detailed Statement of Financial Performance which was the subject of a separate Auditor's Disclaimer. The disclaimer states, in part, that the audit did not cover all details of the additional financial data and that, accordingly, the auditor does not express an opinion on such data and no warranty of accuracy or reliability is given.

This approach of providing a separate, unaudited, Detailed Statement of Financial Performance is not consistent with the requirements of the RAO Schedule.

Section 253(2)(b)(ii) of the RAO Schedule requires the General Purpose Financial Report to include information required by the Reporting Guidelines that have been issued by the Industrial Registrar. In particular, Guideline 11 sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. Included are such items as:

- affiliation fees or subscriptions to political parties or industrial bodies (11(d));
- grants or donations made by the reporting unit (11(f));
- employment benefits paid to office holders (11(g));
- employment benefits paid to employees (other than office holders) (11(h));
- legal costs (11(j));
- fees and/or allowances paid for attendance at conferences (11(i));
- conference and meeting expenses (11(k));
- penalties imposed on the reporting unit by the *Workplace Relations Act* (11(l));
- capitation fees or membership subscriptions (11(b)); and
- levies that have been imposed upon the reporting unit (11(e)).

A full copy of the Registrar's Reporting Guidelines is attached. Would you please ensure that all of the items required by the Guidelines are separately itemised in the main body of the accounts in the future and not provided under a disclaimer.

A copy of this letter will be sent to your Auditor for their information.

Please do not hesitate to contact me by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

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

Yours sincerely,



Robert Pfeiffer
Statutory Services Branch

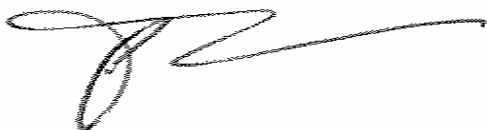
14 July 2006

cc: HR Moll
RSM Bird Cameron
GPO Box 200
CANBERRA ACT 2601

**AUSTRALIAN FEDERAL POLICE ASSOCIATION
DESIGNATED OFFICER'S CERTIFICATE**

I James Torr being the Chief Executive Officer of the Australian Federal Police Association Branch of the Police Federation of Australia and Delegate of the Police Federation of Australia certify:

- **That the documents lodged herewith are copies of the full report and the concise report referred to in s268 of the RAO Schedule; and**
- **That the full report was provided to the members on 29th November 2005 via email and the internet ; and**
- **That the full report was presented to the National Executive of Australian Federal Police Association Branch of the reporting unit on the 28th November 2005 and to the Federal Executive of the Police Federation of Australia of the reporting unit on the 30th November 2005; (in accordance with section 266 of the RAO Schedule.)**
- **Attachment provides chronological order of process adapted with copies of relevant minutes.**



**James Torr
Chief Executive Officer of Australian Federal Police Association
Delegate of Police Federation of Australia**

9th December 2005

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

ABN 95 799 543 741

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2005

Australian Federal Police Association - National Council

CONTENTS

Committee of Management Statement

Operating Report

Independent Audit Report

Statement of Financial Performance

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Auditor's Disclaimer

Detailed Statement of Financial Performance

Trading Statement

AUSTRALIAN FEDERAL POLICE ASSOCIATION - NATIONAL COUNCIL

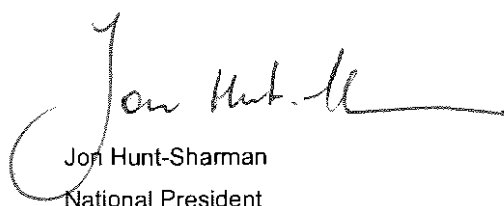
COMMITTEE OF MANAGEMENT STATEMENT

On 18 October 2005 the Committee of Management of Australian Federal Police Association passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2005:

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 Standard;
- (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) meeting of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Registration and Accountability of Organisations Schedule (Schedule 1B to the Workplace Relations Act 1996) (RAO) 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 organisation; 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 during the period has been furnished to the member or 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 during the period.

For Committee of Management :



Jon Hunt-Sharman
National President



James Torr
Chief Executive Officer

Date: 18th November 2005

Australian Federal Police Association – National Council

OPERATING REPORT

This Operating Report covers the results of those activities that were provided for the financial year ended 30 June 2005.

PRINCIPAL ACTIVITIES

The principal activities of the Association during the reporting period were to provide industrial representation of employees in the law enforcement industry.

SIGNIFICANT CHANGES

There have been no significant changes in the nature of the Association's principle activities or financial affairs during the financial year ended 30th June 2005.

MANNER OF RESIGNATION

Members may resign from the Association in accordance with rule 11, which reads as follows:

- 1) A member may resign their membership by notifying the Secretary in writing, addressed and delivered to that officer.
- 2) A notice of resignation from membership takes effect.
 - (a) Where the member ceases to be eligible to become a member of the Association:
 - (i) on the day on which the notice is received by the Association; or
 - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member,whichever is later, or
 - (b) in any other case:
 - (i) at the end of two weeks, after the notice is received by the Association; or
 - (ii) on the day specified in the notice;whichever is later.
- 3) Any dues payable but not paid by a former member of the Association, in relation to a period before the member's resignation from the organisation took effect, may be sued for and recovered in the name of the Association, in a court of competent jurisdiction, as a debt due to the Association.
- 4) A notice delivered to the Secretary shall be taken to have been received by the Association when it is delivered.
- 5) A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered to the Secretary.
- 6) A resignation from membership is valid even if it is not affected in accordance with this Rule if the member is informed in writing by or on behalf of the Association that the resignation has been accepted.

TRUSTEE OR DIRECTOR OF TRUSTEE COMPANY OF SUPERANNUATION ENTITY OR EXEMPT PUBLIC SECTOR SUPERANNUATION SCHEME

No officer of the Association held a position of Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme during the financial year ended 30th June 2005.

NUMBER OF MEMBERS

The number of persons who, at the end of the reporting period 30th June 2005, were recorded on the Register of Members of the Association was 2,956.

NUMBER OF EMPLOYEES

The number of persons who were, at the end of the reporting period 30th June 2005, employees of the Association was 10 (includes 2 part time employees measured on a full time equivalent basis and nil casual employee).

Australian Federal Police Association – National Council

OPERATING REPORT

MEMBERS OF COMMITTEE OF MANAGEMENT

The persons who held office as members of the Committee of Management of the Association during the reporting period 30th June 2005 are:

BRANCH NATIONAL PRESIDENT

Jonathan Hunt Sharman Branch National President (Re-elected 31/08/04)

BRANCH VICE PRESIDENTS

Marianne Tully Branch Vice President - Federal Operations (Elected 31/08/2004)
Stephen Richardson Branch Vice President - Federal Operations (From 01/07/2004 to term expiry 31/08/2004)
Dennis Gellatly Branch Vice President - Community Operations (Elected 31/08/2004)
David Boston Branch Vice President - Community Operations (From 01/07/2004 to term expiry 31/08/2004)
Margaret Davson Branch Vice President - Policing Operations Support (Elected 31/08/2004)
William Conroy Branch Vice President - Commercial Operations (From 01/07/2004 to term expiry 31/08/2004)
Spiro Kalliris Branch Vice President - Protective Service Operations (Re-elected 31/08/2004)
Christopher Collingwood Branch Vice President - Specialist Operations (Re-elected 31/08/2004)
Peter John Brown Branch Vice President - International Operations (New position) (Elected 31/08/2004)

BRANCH CHIEF EXECUTIVE OFFICER

James Peter Torr Branch - Chief Executive Officer (Re-elected 31/08/2004)

CORPORATE ZONE

Errol Fries Corporate Zone - Zone Co-ordinator (Elected 12/03/2004)
William Drummond Graham Corporate Zone - Workplace Delegate (1) (Elected 12/03/2004)
Sean Holman Corporate Zone - Workplace Delegate (2) (Elected 12/03/2004)
Russell Rowell Corporate Zone - Workplace Delegate (3) (Elected 12/03/2004)

CONTRACT POLICING ZONE

Gary Shute Contract Policing Zone - Zone Co-ordinator Zone (Casual vacancy) (Elected 1/03/2005)
Vacant Contract Policing Zone - Zone Co-ordinator (Vacant from 31/08/2004 to 31/12/2004)
Dennis Gellatly Contract Policing Zone - Zone Co-ordinator (Elected 12/03/2004; Resigned 31/08/04)
Matthew Reynolds Contract Policing Zone - Workplace Delegate (1) (Appointed 1/03/2005)
Gary Shute Contract Policing Zone - Workplace Delegate (1) (Elected 9/02/2004; Resigned 1/03/2005)
Joseph Zuzek Contract Policing Zone - Workplace Delegate (2) (Elected 9/02/2004)
Natalie Patricia Ettridge Contract Policing Zone - Workplace Delegate (3) (Elected 9/02/2004)
Theo Constantinou Contract Policing Zone - Workplace Delegate (4) Casual vacancy (Elected 1/03/2005)
Francis Polach Contract Policing Zone - Workplace Delegate (4) (Appointed 2/06/2004 to 31/12/04)
Gregory Turkich Contract Policing Zone - Workplace Delegate (4) (Elected 9/02/2004; Resigned 2/06/2004)

Australian Federal Police Association – National Council

OPERATING REPORT

FEDERAL POLICING ZONE

Fiona Mellor	Federal Policing Zone - Zone Co-ordinator (Casual vacancy)(Elected 1/03/2005)
Vacant	Federal Policing Zone - Zone Co-ordinator (Vacant from 31/08/2004 to 13/12/2004)
Marianne Tully	Federal Policing Zone - Zone Co-ordinator (Elected 12/03/2004; Resigned 31/08/2004)
Sharon Thomson	Federal Policing Zone - Workplace Delegate (1) (Elected 12/03/2004)
Paul Wesley	Federal Policing Zone - Workplace Delegate (2) (Elected 12/03/2004)
Roland Fleischer	Federal Policing Zone - Workplace Delegate (3) (Elected 12/03/2004)
Blaise O'Shaughnessy	Federal Policing Zone - Workplace Delegate (4) (Elected 12/03/2004)
John Clive Whitehead	Federal Policing Zone - Workplace Delegate (5) (Elected 12/03/2004)
Mark Walker	Federal Policing Zone - Workplace Delegate (6) (Casual vacancy) (Elected 1/03/2005)
Tim Jolly	Federal Policing Zone - Workplace Delegate (6) (Appointed 31/08/04; Resigned 31/12/2004)
Peter Brown	Federal Policing Zone - Workplace Delegate (6) (Elected 12/03/04; Resigned 31/08/2004)

FORENSIC ZONE

Eric Davies	Forensic Zone - Zone Co-ordinator (Casual vacancy) (Elected 1/03/2005)
Jim Brandi	Forensic Zone - Zone Co-ordinator (Appointed 31/08/2004;Resigned 31/12/2004)
Christine Geissler	Forensic Zone - Workplace Delegate (Elected 12/03/2004;Resigned 31/08/2004)

NATIONAL POLICING SERVICES ZONE

Gregory John Turkich	National Policing Services Zone - Zone Co-ordinator (Casual vacancy) (Elected 1/03/2005)
David Ruckert	National Policing Services Zone - Zone Co-ordinator (Appointed 31/08/2004; Resigned 31/12/2004)
Margaret Davson	National Policing Services Zone - Zone Co-ordinator (Elected 12/03/2004; Resigned 31/08/2004)

SURVEILLANCE ZONE

Paul Ryan	Surveillance Zone - Zone Co-ordinator (Elected 12/03/2004)
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COVERT PROTECTIVE POLICING ZONE

Noel Lymbery	Covert Protective Policing Zone - Zone Co-ordinator (Elected 12/03/2004)
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OVERT PROTECTIVE POLICING ZONE

Zone disbanded	Zone merged with covert protective policing zone after approval of Industrial Registrar
Christopher Collingwood	Overt Protective Policing Zone - Zone Co-ordinator (Elected 12/03/2004; Resigned 31/08/2004)

AVIATION PROTECTION ZONE

Clayton Baldwin	Aviation Protective Zone - Zone Co-ordinator (New Office) (Elected 1/03/2005)
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AVIATION SECURITY ZONE

Peter Engeler	Aviation Security Zone - Zone Co-ordinator (New Office) (Elected 1/03/2005)
Paul Hawker	Aviation Security Zone - Workplace Delegate (New Office) (Elected 1/03/2005)

INTELLIGENCE ZONE

Joanne Tait	Intelligence Zone - Zone Co-ordinator (New Office) (Elected 1/03/2005)
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Australian Federal Police Association – National Council

OPERATING REPORT

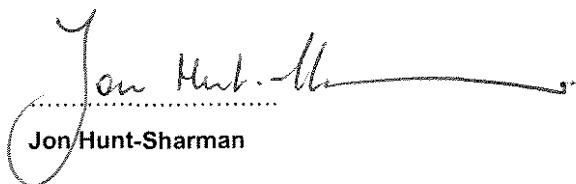
PROTECTIVE SECURITY ZONE

John Adams Protective Security Zone - Zone Co-ordinator (New Office) (Elected 1/03/2005)

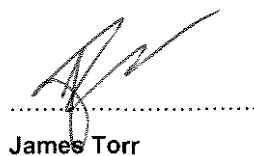
Glen Aylott Protective Security Zone - Workplace Delegate (New Office) (Elected 1/03/2005)

OPERATING RESULT

The profit from ordinary activities after providing for income tax amounted to \$378,865.



.....
Jon Hunt-Sharman



.....
James Torr

Dated this 18th November 2005

RSM Bird Cameron

Chartered Accountants

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GPO Box 200 Canberra ACT 2601
T +61 2 6247 5988 F +61 2 6247 3703
www.rsmi.com.au

INDEPENDENT AUDIT REPORT

To the members of Australian Federal Police Association – National Council

Scope

We have audited the financial report of Australian Federal Police Association (AFPA) for the year ended 30 June 2005, being the statement of financial performance, statement of financial position, statement of cash flows and notes to the financial statements. The National Executive is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards in Australia and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of AFPA's financial position and performance as represented by the results of its operations and its cash flows.

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

Audit Opinion

In our opinion, the financial report presents a true and fair view in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia the financial position of AFPA as at 30 June 2005, and the results of its operations and its cash flows for the year then ended.

Canberra, ACT



RSM Bird Cameron
Chartered Accountants

Dated: *21 November 2005*



H R Moll
Partner

Liability limited by a
scheme approved under
Professional Standards
Legislation

Birdanco Nominees Pty Ltd
ABN 33 009 321 377
Practising as
RSM Bird Cameron
ABN 65 319 382 479

Major Offices in:
Perth, Sydney,
Melbourne, Adelaide
and Canberra

RSM Bird Cameron is an independent
member firm of RSM International, an
affiliation of independent accounting and
consulting firms.

Australian Federal Police Association – National Council

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
Revenues from ordinary activities	2	1,884,525	1,619,201
Employee benefits expense		477,660	386,125
Depreciation expenses	3	7,764	17,686
Operating lease expense	3	46,078	24,313
Other expenses from ordinary activities		974,158	817,133
Profit from ordinary activities before income tax expense		<u>378,865</u>	<u>373,944</u>
Income tax expense relating to ordinary activities	1a	-	-
Net profit from ordinary activities after income tax expense attributable to the Association	13	<u>378,865</u>	<u>373,944</u>
Total changes in equity other than those resulting from transactions with owners as owners		<u>378,865</u>	<u>373,944</u>

The accompanying notes form part of this financial report.

Australian Federal Police Association – National Council

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash assets	4	1,909,201	1,625,669
Receivables	5	17,265	7,113
Inventories	6	57,982	60,790
Other	7	74,511	62,104
TOTAL CURRENT ASSETS		2,058,959	1,755,676
NON-CURRENT ASSETS			
Receivables	5	158,360	-
Property, plant and equipment	8	35,641	31,791
TOTAL NON-CURRENT ASSETS		194,001	31,791
TOTAL ASSETS		2,252,960	1,787,467
CURRENT LIABILITIES			
Payables	9	80,107	12,783
GST payables	10	14,426	7,471
Provisions	11	25,282	20,413
TOTAL CURRENT LIABILITIES		119,815	40,667
NON-CURRENT LIABILITIES			
Provisions	11	19,353	11,873
TOTAL NON-CURRENT LIABILITIES		19,353	11,873
TOTAL LIABILITIES		139,168	52,540
NET ASSETS		2,113,792	1,734,927
EQUITY			
Retained profits	13	2,113,792	1,734,927
TOTAL EQUITY		2,113,792	1,734,927

The accompanying notes form part of this financial report.

Australian Federal Police Association – National Council

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		1,666,227	1,419,176
Receipts from sales of souvenirs		90,336	73,757
Payments to suppliers and employees		(1,581,989)	(1,217,752)
Interest received		81,756	51,999
Other revenue		217,160	22,076
Net cash provided by operating activities	15b	473,490	349,256
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed asset purchases		(15,496)	(32,723)
Loans to CSC – payment made		(193,000)	-
Proceeds on sale of fixed assets		-	11,290
Loans to CSC – repayment made		18,538	-
Net cash (used in) investing activities		(189,958)	(21,433)
Net increase in cash held		283,532	327,823
Cash at the beginning of the financial year		1,625,669	1,297,846
Cash at the end of the financial year	15a	1,909,201	1,625,669

The accompanying notes form part of this financial report.

Australian Federal Police Association – National Council

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report covers Australian Federal Police Association – National Council as an individual entity. Australian Federal Police Association – National Council is an association incorporated in ACT under the Workplace Relations ACT 1996.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a. **Income Tax**

The Association is exempt from income tax under section 50-15 of the Income Tax Assessment Act 1997.

b. **Inventories**

Inventories consist of souvenirs and are measured at the lower of cost and net realisable value. Costs are allocated on a first-in first-out basis and include direct costs and appropriate amount of fixed and variable overheads.

c. **Property, Plant and Equipment**

Each class of plant and equipment are carried at cost or fair value less, any accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets are depreciated on diminishing balance or straight line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Office equipment	3% - 50%

The carrying amount of fixed assets is reviewed annually by directors to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining the recoverable amounts.

Australian Federal Police Association – National Council

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

d. **Leases**

All lease payments are for operating leases, where substantially all the risks and benefits remain with the lessor. They are charged as expenses in the periods in which they are incurred.

e. **Employee Benefits**

Provision is made for the liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other 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. Long service leave is provided for after five years of service.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

f. **Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

g. **Revenue Recognition**

Member subscriptions are transferred electronically from the salary of members and are recognised as income when received.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Income from providing a service to members is recognised when the member receives the service.

h. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

i. **Impact of Adoption of Australian Equivalents to International Financial Reporting Standards**

The Association is preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AIFRS) effective for the financial years commencing 1 January 2005. The adoption of AIFRS will be reflected in the Association's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004.

The Association's management, along with its auditors, have assessed the significance of the expected changes and are preparing for their implementation. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been considered where applicable.

The Association is assessing the significance of these changes and preparing for their implementation. The Association's management is of the opinion that the adoption of IFRS will not result in any material differences with the current accounting treatment.

Australian Federal Police Association – National Council

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
NOTE 2: REVENUE		
Operating activities		
— members subscriptions	1,666,227	1,419,176
— sale of goods	90,336	73,757
	1,756,563	1,492,933
Non-operating activities		
— interest received	81,756	51,999
— rent received	3,600	3,600
— other income	42,606	70,669
	127,962	126,268
Total Revenue	1,884,525	1,619,201

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense has been determined after:

Expenses:

Cost of sales (souvenirs)	61,666	54,329
Donations (All less than \$1,000)	3,779	4,032
Depreciation of plant and equipment	7,764	17,686
Legal assistance for members	96,081	38,875
Legal fees	12,250	3,385
Net loss on disposal of plant and equipment	3,882	13,329
Employees benefit to holders of offices		
— Wages and salaries (including non monetary benefits)	68,839	52,190
— Annual leave provision	-	-
— Long service leave provision	4,301	-
— Superannuation	9,581	14,139
Employees benefit to employees (other than holders of offices)		
— Wages and salaries (including non monetary benefits)	403,953	327,116
— Annual leave provision	4,868	6,819
— Long service leave provision	3,179	6,339
— Superannuation	42,080	39,699
Remuneration of auditor		
— audit services	6,835	7,165
— other services	1,388	2,649
Total remuneration	8,223	9,814
Meeting expenses	12,723	2,657
Rental expense on operating leases		
— minimum lease payments	46,078	24,313

Australian Federal Police Association – National Council

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
NOTE 4: CASH ASSETS		
Cash on hand	750	450
Cash at bank	1,856,926	1,625,219
Cash on deposit	51,525	-
	1,909,201	1,625,669

NOTE 5: RECEIVABLES

CURRENT

Sundry debtors	1,163	6,349
Secured loans – Canberra Services Club Ltd	16,102	-
Loans to employees	-	764
	17,265	7,113

NON-CURRENT

Secured loans – Canberra Services Club Ltd	158,360	-

The above loan represents a loan to Canberra Services Club Limited (CSC). The loan initially of \$150,000 was granted to CSC in July 2004 and was later extended to \$229,800. As at 30 June 2005, \$193,000 had been drawn down. The loan attracts interest at the rate of 7% per annum. After interest and repayment the balance owing at 30 June 2005 stood at \$174,462. The loan is secured by a "Registered Deed of Charge Over Property" being a charge over land and buildings and other assets of CSC.

NOTE 6: INVENTORIES

CURRENT

Stock of souvenirs, at cost	57,982	60,790

NOTE 7: OTHER ASSETS

Prepayments	74,511	62,104

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

Office equipment — at cost	92,690	111,034
Less accumulated depreciation	57,049	79,243
	35,641	31,791

Australian Federal Police Association – National Council

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

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

	Office Equipment \$
Balance at the beginning of year	31,791
Additions	15,496
Disposals	(3,882)
Depreciation expense	(7,764)
Carrying amount at the end of year	35,641

	2005 \$	2004 \$
NOTE 9: PAYABLES		
CURRENT		
Trade creditors and accruals	80,107	12,783

NOTE 10: GST payables		
CURRENT		
GST payables	14,426	7,471

NOTE 11: PROVISIONS		
CURRENT		
Provision for annual leave	25,282	20,413
NON-CURRENT		
Provision for long service leave	19,353	11,873

Number of employees at year end	10	12
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NOTE 12: RESERVES

Asset revaluation reserve at the beginning of the financial year	-	87,735
Transfer prior year asset revaluation reserve to retained profit	-	(87,735)
Asset revaluation reserve at the end of the financial year	-	-

NOTE 13: RETAINED PROFITS

Retained profits at the beginning of the financial year	1,734,927	1,273,248
Transfer from reserves	-	87,735
Net profit attributable to the Association	378,865	373,944
Retained profits at the end of the financial year	2,113,792	1,734,927

Australian Federal Police Association – National Council

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
NOTE 14: LEASING COMMITMENTS		
Operating Lease Commitments		
Being for rent of office & equipment		
Payable:		
— not later than 1 year	111,399	154,205
— later than 1 year but not later than 5 years	41,995	153,394
— later than 5 years	-	-
	153,394	307,599

NOTE 15: CASH FLOW INFORMATION

a. Reconciliation of Cash

Cash on hand	750	450
Cash at bank	1,856,926	1,625,219
Cash on deposit	51,525	-
	1,909,201	1,625,669

b. Reconciliation of Net Cash provided by Operating Activities to Profit from Ordinary Activities after Income Tax

Profit from ordinary activities after income tax	378,865	373,944
Non-cash flows in profit from ordinary activities:		
Depreciation	7,764	17,686
Net loss on disposal of plant and equipment	3,882	13,329
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	5,950	7,733
Decrease/(Increase) in inventories	2,808	(21,250)
Decrease in GST receivables	-	498
(Increase) in prepayments	(12,407)	(54,992)
Decrease in lease bond	-	16,719
Increase/(Decrease) in creditors and accruals	67,325	(25,040)
Increase in GST payables	6,955	7,471
Increase/(Decrease) in provisions	12,348	13,158
Net cash provided by operating activities	473,490	349,256

c. The Association has no credit stand-by or financing facilities in place.

d. There were no non-cash financing or investing activities during the period.

Australian Federal Police Association – National Council

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 16: FINANCIAL INSTRUMENTS

a. Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
					Within 1 Year		1 to 5 Years	
	2005	2004	2005	2004	2005	2004	2005	2004
FINANCIAL ASSETS	%	%	\$	\$	\$	\$	\$	\$
Cash at Bank	3.88	3.20	1,856,926	1,625,219	-	-	-	-
Short Term Deposits	5.25	-	-	-	51,525	-	-	-
Receivables	7.00	-	-	-	16,102	-	158,360	-
TOTAL FINANCIAL ASSETS			1,856,926	1,625,219	67,627	-	158,360	-

b. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

c. Net Fair Values

Methods and assumptions used in determining net fair value

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

NOTE 17: CONTINGENT LIABILITIES

There were no material contingent liabilities as at the date of this report.

NOTE 18: ASSOCIATION DETAILS

The principal place of business of the Association is:

Australian Federal Police Association – National Council
Level 1, 43 Geils Court Deakin ACT 2600

Australian Federal Police Association – National Council

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 19: 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 reads 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).

RSM Bird Cameron

Chartered Accountants

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www.rsmi.com.au

Auditor's Disclaimer

Australian Federal Police Association – National Council

The additional financial data presented in the following pages is in accordance with the books and records of Australian Federal Police Association (AFPA) which have been subjected to the auditing procedures applied in our audit of the Association for the year ended 30 June 2005. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than to Australian Federal Police Association – National Council) in respect of such data, including any errors or omissions therein however caused.

Canberra, ACT



RSM Bird Cameron
Chartered Accountants

Dated: *21 November 2005*



H R Moll
Partner

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and Canberra

RSM Bird Cameron is an independent
member firm of RSM International, an
affiliation of independent accounting and
consulting firms.

Australian Federal Police Association – National Council

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005

	2005 \$	2004 \$
REVENUE		
Operating activities		
Members subscriptions	1,666,227	1,419,176
Gross Profit from trading	28,670	19,427
Non-operating activities		
Rent	3,600	3,600
Interest	81,756	51,999
Other revenue	42,606	70,669
	1,822,859	1,564,871
EXPENDITURE		
Accounting	1,388	2,649
Advertising	1,797	355
Affiliation fees	47,381	35,581
Audit	6,835	7,165
Bank charges	3,392	2,047
Consultants – IT	35,019	41,457
Depreciation	7,764	17,686
Donations	3,779	4,032
Electricity	7,524	4,056
Employees benefits	-	11,245
Freight & postage	9,596	8,691
Fringe benefit tax	12,385	13,469
Insurance	11,473	25,067
Legal fee	12,250	3,385
Legal assistance for members	96,081	38,875
Life assurance for members	274,373	209,555
Loss on sale of fixed assets	3,882	13,329
Long service leave provision	7,480	6,339
Meeting expenses	12,723	2,657
Membership fees	5,770	-
Motor vehicle expenses	38,478	38,631
Office expenses	6,856	6,880
Printing & stationery	21,475	17,659
Rent – National office	93,377	88,992
Rental expense on operating leases - equipment	46,078	24,313
Repair & maintenance	18,495	21,712
Salaries & wages	477,660	386,125
Staff amenities	2,420	1,770
Staff training	4,257	2,089

This statement should be read in conjunction with the attached auditor's disclaimer.

Australian Federal Police Association – National Council

DETAILED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
Superannuation	51,661	53,838
Telephone	36,716	34,605
Travel, subsistence & accommodations	85,629	66,674
	<hr/>	<hr/>
	1,443,994	1,190,927
Profit from ordinary activities before income tax	378,865	373,944
Income tax expense	-	-
	<hr/>	<hr/>
Profit from ordinary activities after income tax	378,865	373,944
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR	1,734,927	1,273,248
Transfer to Reserve	-	87,735
	<hr/>	<hr/>
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	2,113,792	1,734,927

This statement should be read in conjunction with the attached auditor's disclaimer.

Australian Federal Police Association – National Council

TRADING STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
SALES		
Sales	90,336	73,757
COST OF GOODS SOLD		
Opening stock	60,790	39,540
Purchases	58,857	75,579
	<hr/>	<hr/>
	119,647	115,119
Closing stock	57,981	60,789
	<hr/>	<hr/>
	61,666	54,330
Trading profit	<hr/>	<hr/>
	28,670	19,427

This statement should be read in conjunction with the attached auditor's disclaimer.