



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibitions Street,
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7817
Fax: (03) 9655 0410

Mr Jon Hunt-Sharman
President
Police Federation of Australia
Australian Federal Police Association Branch
Level 9, AMP Building, 1 Hobart Place
CANBERRA ACT 2600

Dear Jon,

Re: Financial reports for year ended 30 June 2007 - FR2007/432
Schedule 1 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 30 June 2007. The documents were lodged in the Industrial Registry on 10 December 2007.

The documents have been filed. No further action is requested.

Yours sincerely,

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

Robert Pfeiffer
Statutory Services Branch

19 March 2008

FR2007/432

Rec'd 4/12/07.



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

I Jon Hunt-Sharman being the President of the Australian Federal Police Association Branch of the Police Federation of Australia and Vice President 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 5th December 2007 via the internet on the AFPA website and schedule to be published in the December 2007 edition of the Auspol Journal ; and
- That the full report was presented to the National Executive of Australian Federal Police Association Branch of the reporting unit on the 14th December 2007 and to the Federal Executive of the Police Federation of Australia of the reporting unit on the 4th November 2007; (in accordance with section 266 of the RAO Schedule.)

Jon Hunt-Sharman
National President
Australian Federal Police Association
Vice President
Police Federation of Australia
Level 9, AMP Building, 1 Hobart Place
Canberra ACT 2600
Em: jon.hunt-sharman@afpa.org.au
Mob: +61 (0)411 711 101
Tel: +61 (0)2 6285 1677

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

ABN 95 799 543 741

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2007

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

CONTENTS

Committee of Management Statement

Operating Report

Independent Audit Report

Income Statement

Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

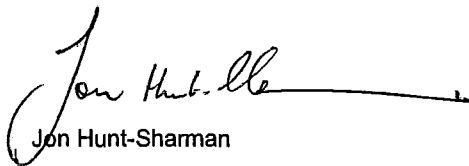
COMMITTEE OF MANAGEMENT STATEMENT

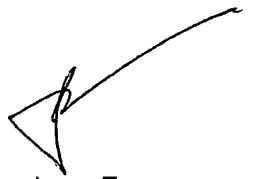
On the date below, the Committee of Management of Australian Federal Police Association passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2007:

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 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: 24th October 2007

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 2007.

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 2007.

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 2007.

NUMBER OF MEMBERS

The number of persons who, at the end of the reporting period 30th June 2007, were recorded on the Register of Members of the Association was 3251.

NUMBER OF EMPLOYEES

The number of persons who were, at the end of the reporting period 30th June 2007, employees of the Association was 11 (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 2007 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)
Dennis Gellatly Branch Vice President - Community Operations (Elected 31/08/2004)
Margaret Davson Branch Vice President - Policing Operations Support (Elected 31/08/2004)
Spiro Kalliris Branch Vice President - Protective Service Operations (Re-elected 31/08/2004 resigned 12/01/2006)
Vacant Position Branch Vice President - Policing Operations Support as at 12/01/2006
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

Andrew John Glew Corporate Zone - Zone Co-ordinator Elected 9/3/06 – 28/4/2006)
Vacant Position Corporate Zone - Workplace Delegate (1) (Position Vacant no nominees 9/3/2006- 28/4/2006)
Vacant Position Corporate Zone - Workplace Delegate (2) (Position Vacant 9/3/2006- 28/4/2006)
Harold Daley Corporate Zone - Workplace Delegate (3) (Elected 9/3/2006 – 28/4/2006)

CONTRACT POLICING ZONE

Gary Shute Contract Policing Zone - Zone Co-ordinator Zone (Elected 1/03/2005 Re-Elected 9/3/2006-28/4/2006)
Vacant Position Contract Policing Zone - Workplace Delegate (1) (Vacant from 1/3/2005 to 9/3/2006-28/4/2006)
Stephen Phillip Coles Contract Policing Zone- Workplace Delegate (2) (Elected 9/3/2006-28/4/2006)
Matthew Neesham Contract Policing Zone - Workplace Delegate (3) (Elected 9/3/2006-28/4/2006)
Natalie Patricia Ettridge Contract Policing Zone - Workplace Delegate (4) (Elected 9/02/2004 Re-Elected 9/3/2006-28/4/2006)
Greg Palethorpe Contract Policing Zone - Workplace Delegate (5) (Elected 9/03/2006-28/4/2006)
Adrian Graeme Smith Contract Policing Zone - Workplace Delegate (6) (Elected 9/03/2006-28/4/2006)

FEDERAL POLICING ZONE

Fiona Cleeland Federal Policing Zone - Zone Co-ordinator (Elected 1/03/2005 Re-Elected 9/3/2006-28/4/2006)
Ian Bridle Federal Policing Zone - Workplace Delegate (1) (Elected 9/3/2006-28/4/2006)
Kenneth Wayne McDermott Federal Policing Zone - Workplace Delegate (2) (Elected 9/3/2006-28/4/2006)
Roland Fleischer Federal Policing Zone - Workplace Delegate (3) (Elected 12/03/2004 Re-Elected 9/3/2006-28/4/2006)
Blaise O'Shaughnessy Federal Policing Zone - Workplace Delegate (4) (Elected 12/03/2004 Re-Elected 9/3/2006-28/4/2006)
Ian Quirk Federal Policing Zone - Workplace Delegate (5) (Elected 9/3/2006-28/4/2006)

FORENSIC ZONE

Eric Davies Forensic Zone - Zone Co-ordinator (Elected 1/03/2005 Re-Elected 9/3/2006)

NATIONAL POLICING SERVICES ZONE

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

OPERATING REPORT

Vacant Position National Policing Services Zone - Zone Co-ordinator (Vacant Position 9/3/2006-28/4/2006)

SURVEILLANCE ZONE

Glen McDonald Surveillance Zone - Zone Co-ordinator (Elected 9/3/2006-28/4/2006)

COVERT PROTECTIVE POLICING ZONE

Peter Hill Covert Protective Policing Zone - Zone Co-ordinator (Elected 9/3/2006-28/4/2006)

AVIATION PROTECTION ZONE

Michael Hollis Aviation Protective Zone - Zone Co-ordinator (Elected 9/3/2006-28/4/2006)

AVIATION SECURITY ZONE

Peter Engeler Aviation Security Zone - Zone Co-ordinator (Ballot Contested on 9/03/2006 Elected 28/4/2006)

Aidan King Aviation Security Zone - Workplace Delegate (1) (Ballot Contested on 9/3/2006 Elected 28/4/2006)

INTELLIGENCE ZONE

Kenneth John Lamb Intelligence Zone - Zone Co-ordinator (Position Vacant 28/04/2006 – Elected 15/08/2006)

Vacant Position Intelligence Zone – Workplace Delegate (1) (Vacant Position 9/3/2006-28/4/2006)

PROTECTIVE SECURITY ZONE

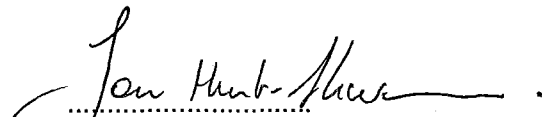
John Adams Protective Security Zone - Zone Co-ordinator (Elected 1/03/2005 Ballot Contested 9/3/2006 Elected 28/4/2006)

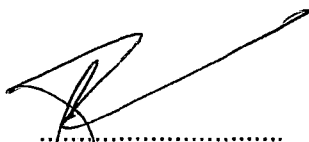
Claire Bruton Protective Security Zone - Workplace Delegate (1) (Elected 9/3/2006-28/4/2006)

Wayne Andrew Challen Protective Security Zone - Workplace Delegate (2) (Elected 9/3/2006-28/4/2006)

OPERATING RESULT

The profit from ordinary activities after providing for income tax amounted to \$75,145


.....
Jon Hunt-Sharman


.....
James Torr

Dated this 24th day of October 2007

RSM Bird Cameron

Chartered Accountants

Level 1, 103-105 Northbourne Avenue Canberra ACT 2601
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 INC.

Report on the Financial Report

We have audited the accompanying financial report of The Australian Federal Police Association – National Council which comprises the balance sheet as at 30 June 2007 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (ACT), 1991. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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 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 judgment, 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 and fair presentation of the financial report 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 committee, 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.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

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.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN FEDERAL POLICE
ASSOCIATION – NATIONAL COUNCIL INC.

Auditor's Opinion

In our opinion:

The financial report of The Australian Federal Police Association – National Council Inc. is in accordance with the Associations Incorporation Act (ACT), 1991 including the requirements imposed by Part 3 of Chapter 8 of Schedule 1B (RAO Schedule) of the Workplace Relations Act 1996

- i. giving a true and fair view of the Association's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (ACT), 1991.

Canberra, Australian Capital Territory

RSM Bird Cameron
Chartered Accountants



Date: 24 October 2007

G M STENHOUSE
Director

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

INCOME STATEMENT FOR YEAR ENDED 30 JUNE 2007

	Note	2007	2006
		\$	\$
Revenue	2	2,366,271	1,964,692
Changes in inventories of finished goods and work in progress		(17,877)	(19,024)
Raw materials and consumables used		(31,641)	(39,325)
Employee benefits expense		(518,886)	(571,035)
Depreciation and amortisation expenses		(16,677)	(7,175)
Affiliation fees		(48,262)	(91,550)
Contract work		(184,262)	(144,766)
Donations		(188,088)	
Legal assistance for members		(69,845)	(71,037)
Life assurance for members		(462,753)	(367,100)
Rent – National office		(131,111)	(121,170)
Telephone		(25,578)	(47,485)
Travel, subsistence & accommodations		(164,158)	(62,200)
Other expenses		(431,988)	(339,727)
Profit before income tax		75,145	83,098
Transfers to and from reserves		-	-
Income tax expense	1a	-	-
Profit attributable to the Association		75,145	83,098

The accompanying notes form part of these financial statements.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

BALANCE SHEET AS AT 30 JUNE 2007

	Note	2007	2006
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,003,687	1,969,394
Receivables	6	56,563	17,575
Inventories	7	21,078	38,957
Other current assets	8	105,068	101,928
TOTAL CURRENT ASSETS		<u>2,186,396</u>	<u>2,127,854</u>
NON-CURRENT ASSETS			
Receivables	6	160,760	184,646
Plant and equipment	9	50,982	44,099
TOTAL NON-CURRENT ASSETS		<u>211,742</u>	<u>228,745</u>
TOTAL ASSETS		<u>2,398,138</u>	<u>2,356,599</u>
CURRENT LIABILITIES			
Payables	10	114,725	155,514
Short-term provisions	11	16,671	5,488
TOTAL CURRENT LIABILITIES		<u>131,396</u>	<u>161,002</u>
NON-CURRENT LIABILITIES			
Long-term provisions	11	6,678	10,678
TOTAL NON-CURRENT LIABILITIES		<u>6,678</u>	<u>10,678</u>
TOTAL LIABILITIES		<u>138,074</u>	<u>171,680</u>
NET ASSETS		<u>2,260,064</u>	<u>2,184,919</u>
EQUITY			
Retained earnings		<u>2,260,064</u>	<u>2,184,919</u>
TOTAL EQUITY		<u>2,260,064</u>	<u>2,184,919</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2007

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2005	2,101,821	-	2,101,821
Profit attributable to members	83,098	-	83,098
Transfers to and from reserves	-	-	-
Transfers to retained profits	-	-	-
Balance at 30 June 2006	2,184,919	-	2,184,919
Profit attributable to members	75,145	-	75,145
Balance at 30 June 2007	2,260,064	-	2,260,064

The accompanying notes form part of these financial statements.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007	2006
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		2,153,532	1,766,356
Receipts from sales of souvenirs		59,790	80,518
Insurance recoveries		206,897	-
Payments to suppliers and employees		(2,500,667)	(2,018,274)
Interest received		117,761	103,990
Other revenue		1,098	170,169
Net cash provided by (used in) operating activities	16	38,411	102,759
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		-	520
Purchase of plant and equipment		(23,561)	(19,154)
Loans to CSC — payments made		-	(36,800)
Loans to CSC — proceeds from repayments		19,443	12,868
Net cash provided by (used in) investing activities		(4,118)	(42,566)
Net increase in cash held		34,293	60,193
Cash at beginning of financial year		1,969,394	1,909,201
Cash at end of financial year	5	2,003,687	1,969,394

The accompanying notes form part of these financial statements.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, the requirements imposed by Part 3 of Chapter 8 of Schedule 1B (RAO Schedule) of the Workplace Relations Act 1996 and other authoritative pronouncements of the Australian Accounting Standards Board.

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 Australian Capital Territory under the Workplace Relations ACT 1996.

The financial report of Australian Federal Police Association – National Council complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

a. Income Tax

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

b. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of souvenirs includes direct costs and appropriate amount of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

c. Plant and Equipment

Plant and equipment is carried at cost less any accumulated depreciation.

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

Depreciation

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

The depreciation rates used for each plant and equipment are between 3% and 66%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

d. Leases

All lease payments are 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.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

e. **Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. 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, plus related on-costs. 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.

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

f. **Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

g. **Revenue**

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.

Member subscriptions are transferred electronically from salary and wages of its members and are recognised as revenue when received.

Revenue from the rendering of a service to its members is recognised upon the delivery of the service to its members.

All revenue is stated net of the amount of goods and services tax (GST).

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 balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

i. **Comparative Figures**

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

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 2: REVENUE

	Note	2007 \$	2006 \$
Operating activities			
— members subscriptions		1,968,479	1,766,356
— sale of goods		59,790	80,518
		2,028,269	1,846,874
Non-operating activities			
— interest received	2a	120,231	106,460
— Insurance recoveries		188,088	-
— rent received		-	2,100
— other income		29,683	9,258
		149,914	117,818
Other revenue		149,914	117,818
Total Revenue		2,366,271	1,964,692
a. Interest revenue from:			
— Financial institutions		106,481	92,045
— Canberra Services Club		13,750	14,415
		120,231	106,460
Total interest revenue		120,231	106,460

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

	2007	2006
	\$	\$
Profit from ordinary activities before income tax expense has been determined after:		
Expenses:		
Affiliation fees	48,262	91,550
Compulsory levy payments	-	-
Cost of sales (souvenirs)	59,790	58,349
Donations (All less than \$1,000)	-	300
Donations - Australian Law and Justice Welfare Foundation	188,088	-
Depreciation of plant and equipment	16,677	7,175
Employees benefit to holders of offices		
— Wages and salaries (including non monetary benefits)	76,523	67,154
— Annual leave provision	1,840	2,035
— Long service leave provision	2,098	1,079
— Superannuation	10,497	7,240
Employees benefit to employees (other than holders of offices)		
— Wages and salaries (including non monetary benefits)	373,399	463,036
— Annual leave provision	6,889	1,025
— Long service leave provision	4,129	-
— Superannuation	41,813	35,807
Expenses incurred in connection with meetings and conferences	14,135	3,707
Fees or subscriptions paid to related organisations	-	-
Fees or allowances paid in respect of attendances at conferences or other meetings	164,158	-
Grants	-	-
Interest on loans	-	-
Legal assistance for members	43,935	71,037
Legal fees	70,285	35,130
Net loss on disposal of plant and equipment	-	3,001
Payments to any political party	-	-
Payroll deduction expenses paid to employers	-	-
Penalties paid under the Act or Regulations	-	-
Remuneration of auditor		
— audit services	9,000	9,000
— other services	5,225	3,910
Total remuneration	14,225	12,910
Rental expense on operating leases		
— minimum lease payments	28,759	47,271
Other general administration expenses	1,125,624	973,788
Total expenses	2,291,126	1,881,594

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

	Short-term Benefits			Non-Cash Benefits	Total
	Salary & Fees	Super- annuation Contribution	Bonus		
	\$	\$	\$		
2007					
Total compensation	62,088	10,497	-	3,938	76,523
2006					
Total compensation	62,200	7,240	-	4,954	74,394

NOTE 5: CASH AND CASH EQUIVALENTS

	2007	2006
	\$	\$
Cash on hand	750	750
Cash at bank	747,938	1,757,847
Short-term bank deposits	1,254,999	210,797
	<u>2,003,687</u>	<u>1,969,394</u>

The effective interest rate on short-term bank deposits was 6.30% (2006: 5.50%); these deposits have an average maturity of 90 days.

NOTE 6: RECEIVABLES

CURRENT

Sundry debtors	32,540	1,357
GST Receivable	2,727	
Interest receivable	3,104	2,470
Secured loan – Canberra Services Club Ltd	18,192	13,748
	<u>56,563</u>	<u>17,575</u>

NON-CURRENT

Secured loan – Canberra Services Club Ltd	160,760	184,646
---	---------	---------

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. The loan attracts interest at the rate of 7% per annum. After interest and repayment the balance owing at 30 June 2007 stood at \$178,952. 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 7: INVENTORIES

CURRENT

Stock of souvenirs, at cost	21,078	38,957
-----------------------------	--------	--------

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
NOTE 8: OTHER ASSETS		
CURRENT		
Prepayments	105,068	101,928

NOTE 9: PLANT AND EQUIPMENT

Plant and Equipment at cost	97,661	74,101
Accumulated depreciation	(46,679)	(30,002)
Total Plant and Equipment	50,982	44,099

a. 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

	Plant and Equipment	
	\$	
Balance at the beginning of year	44,099	35,641
Additions	23,560	19,154
Disposals	-	(3,521)
Depreciation expense	(16,677)	(7,175)
Carrying amount at the end of year	50,982	44,099

NOTE 10: PAYABLES

CURRENT

Sundry payables and accrued expenses	68,279	117,879
MasterCard Account	2,704	1,128
GST Payable	-	7,613
Employee Benefits	43,742	28,894
	114,725	155,514

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 11: PROVISIONS

	Long-term Employee Benefits \$
Opening balance at 1 July 2006	16,166
Additional provisions	7,183
Amounts used	-
Balance at 30 June 2007	23,349

Analysis of Total Provisions

	2007	2006
	\$	\$
Current	16,671	5,488
Non-current	6,678	10,678
	23,349	16,166

Provision for Long-term Employee Benefits

A provision has been recognised for non-current employee benefits relating to long service leave for employees.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.

NOTE 12: ECONOMIC DEPENDENCE

The continuing operation of Australian Federal Police Association – National Council is fundamentally dependent upon financial support of its members via membership subscriptions.

NOTE 13: LEASING COMMITMENTS

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable — minimum lease payments

— not later than one year	113,964	155,967
— between one year and five years	469,532	12,463
— greater than five years	-	-
	583,496	168,430

The property lease is a non-cancellable lease with a five year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by the market rent on the expiry date and CPI rent per annum thereafter. An option exists to renew the lease at the end of the five year term for an additional term of five years.

NOTE 14: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 15: EVENTS AFTER THE BALANCE SHEET DATE

There were no events after the balance sheet date that is required to be reported.

NOTE 16: CASH FLOW INFORMATION

	2007	2006
	\$	\$
a. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit after income tax	75,145	83,098
Non-cash flows in profit		
Depreciation	16,677	7,175
Net loss on disposal of plant and equipment	-	3,001
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(34,544)	(2,664)
(Increase)/decrease in other assets	(3,140)	(27,417)
(Increase)/decrease in inventories	17,879	19,025
Increase/(decrease) in payables	(48,024)	38,900
Increase/(decrease) in GST payable	(7,613)	(6,813)
Increase/(decrease) in provisions	22,031	(11,546)
	<u>38,411</u>	<u>102,759</u>

b. Non-cash Financing and Investing Activities

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

c. Credit Stand-by Arrangement and Loan Facilities

The association has no credit stand-by arrangement or loan facilities in place.

NOTE 17: SEGMENT REPORTING

The association operates in one business and geographical segment in Australia.

NOTE 18: FINANCIAL INSTRUMENTS

a. 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 impairment of those assets, as disclosed in the balance sheet and notes to the financial statements

The association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the association.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

NOTE 18: FINANCIAL INSTRUMENTS

b. 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		Within Year		1 to 5 Years	
	2007	2006	2007	2006	2007	2006	2007	2006
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash and cash equivalents	6.15	5.75	747,938	1,757,847	-	-	-	-
Short term deposits	6.30	5.50	-	-	1,254,999	210,797	-	-
Loans and receivables	7.00	7.00	-	-	18,192	13,748	160,760	184,646
Total Financial Assets:			747,938	1,757,847	1,273,191	224,545	160,760	184,646

c. Net Fair Values

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 company 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 balance sheet and in the notes to the financial statements.

NOTE 19: ASSOCIATION DETAILS

The principal places of business is:

Australian Federal Police Association – National Council
Level 9 AMP Tower, 1 Hobart Place, Canberra City, ACT 2601

NOTE 20: 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).

