



FAIR WORK  
AUSTRALIA

8 April 2010

Mr Jon Hunt-Sharman  
National President  
Australian Federal Police Association Branch of the Police Federation of Australia  
Level 9, AMP Building, 1 Hobart Place  
Canberra, ACT, 2600  
By email: [jon.huntsharman@afpa.org.au](mailto:jon.huntsharman@afpa.org.au)

cc: Ms Vesna Trajanoska  
Director Finance Administration  
Australian Federal Police Branch of the Police Federation of Australia  
Level 9, AMP Building, 1 Hobart Place  
Canberra, ACT, 2600  
By email: [vesna.trajanoska@afpa.org.au](mailto:vesna.trajanoska@afpa.org.au)

cc: Mr G Stenhouse  
Director  
RSM Bird Cameron Chartered Accountants  
GPO Box 200  
Canberra ACT 2601  
By email: [ged.stenhouse@rsmi.com.au](mailto:ged.stenhouse@rsmi.com.au)

Dear Mr Hunt-Sharman

**Re: Financial report of the Australian Federal Police Association Branch of the Police Federation of Australia for year ended 30 June 2009 (FR2009/233)**

I acknowledge receipt of the financial report of the Australian Federal Police Association Branch of the Police Federation of Australia for the year ended 30 June 2009. The documents were lodged with Fair Work Australia on 20 November 2009. I also acknowledge receipt of supplementary information on 2 February 2010 regarding dates of presentation of the financial reports to the relevant committees. I also acknowledge receipt of supplementary information your auditor, Mr Ged Stenhouse of RSM Bird Cameron, on 31 March 2010.

The financial report has now been filed.

I have attached an addendum for your consideration in which I make comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. If you wish to discuss any matters further, I can be contacted on 03 86617929 or via email [eve.anderson@fwa.gov.au](mailto:eve.anderson@fwa.gov.au). A copy of this letter will also be forwarded to your auditor.

Yours sincerely

Eve Anderson  
Tribunal Services and Organisations  
Fair Work Australia  
Tel: 03 86617929  
Email: [eve.anderson@fwa.gov.au](mailto:eve.anderson@fwa.gov.au)

11 Exhibition Street  
Melbourne VIC 3000  
GPO Box 1994  
Melbourne VIC 3001  
Telephone: (03) 8661 7777  
International: (613) 8661 7777  
Facsimile: (03) 9655 0401  
Email: [melbourne@fwa.gov.au](mailto:melbourne@fwa.gov.au)

## **Addendum to the Financial Reports for the Australian Federal Police Association Branch of the Police Federation of Australia for year ended 30 June 2009 (FR2009/233)**

### **1. Operating report: results of principal activities & significant changes in financial affairs**

[Subsection 254\(2\)\(a\) of the RO Act](#) requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of the those activities. I note that the operating report provides a review of the principal activities and notes that there were no significant changes to these activities, but it does not explain the results of these activities. Please note that subsection 254(2)(a) of the RO Act does not require an operating (financial) result. Instead it requires a description of the results from providing industrial representation to members. In future years please ensure that operating reports describe the results of the principal activities.

These requirements are in addition to [subsection 254\(2\)\(b\) of the RO Act](#) which requires an operating report to give details of any significant changes in the branch's financial affairs during the year. In future years please ensure that operating reports give details of any significant changes in the branch's financial affairs. If there are no significant changes this should be stated.

### **2. Required disclosures: contributions to and from another reporting unit of the organisation**

Item 10(b) of the [Reporting Guidelines](#) requires that where contributions from another reporting unit are received, the amount and the name of each reporting unit are to be disclosed in either the income statement or the notes. Also, item 15 of the Reporting Guidelines requires that where another reporting unit of the organisation is the source of a cash outflow, such cash flow should be separately disclosed and that the name of the other reporting unit be shown in the notes.

It is my understanding that the Australian Federal Police Association Branch of the Police Federation of Australia is required to make monthly contributions to the Police Federation of Australia (rule 7 of the PFA rules). Any such contributions should be disclosed either in the income statement or the notes to the financial statements, and should include the name of the reporting unit (i.e. the Police Federation of Australia). Also the amount of any *cash outflows* to the PFA are to be disclosed in the notes.

Note 3 contains an item of disclosure entitled "Affiliation fees". If this item refers to contributions made to the PFA then disclosures as outlined above need to be made. If this item refers to affiliations to external organisations, then item 11(d) of the Reporting Guidelines has been satisfied (item 11(d) requires disclosure of expenses regarding periodic subscriptions in respect of affiliation to any political party or industrial organisation).

### **3. Required disclosures: finance costs**

AASB 101(81)(b) requires that as a minimum, the face of the income statement shall include line items that present the finance costs for the period. In future years please ensure that finance costs are disclosed on the face of the income statement.

### **4. Required disclosures: material items**

AASB 101(29) requires material items to be presented separately. Note 3 to the financial statements reports \$1,105,857 as other general administration expenses, which appears to be a material amount. In future years please ensure that any material items are separately disclosed.

### **5. Comments offered re the 2008 financial report: recovery of wages, qualifications of auditor and Schedule 1**

While we filed the financial report for the year ended 30 June 2008, we raised certain issues to be addressed in the preparation of future financial reports. I notice that the same errors have appeared in the current report, namely:

- recovery of wages activity to be noted in the committee of management statement
- the qualifications of the auditor to be explicitly stated in the auditor's report
- references should have been made to Schedule 1, not Schedule 1B. It should be noted that for any actions on or after 1 July 2009 the relevant legislation is no longer Schedule 1 of the Workplace Relations Act 1996, but instead is the *Fair Work (Registered Organisations) Act 2009*.

Fair Work Australia aims to assist reporting units in complying with their obligations under the RO Act and Reporting Guidelines, by providing advice about the errors identified in each the financial reports. Please note the inaccuracies raised in this addendum, and address them in future financial reports.



## 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 referred to in s268 of the RAO Schedule; and
- That the full report was provided to the members on 2<sup>nd</sup> October 2009 via the internet on the AFPA website and schedule to be published in the December 2009 edition of the Auspol Journal ; and
- That the full report was presented to the National Executive of the Australian Federal Police Association Branch of the reporting unit on the 2<sup>nd</sup> September 2009 and to the Federal Executive of the Police Federation of Australia on the 16<sup>th</sup> November 2009; (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.huntsharman@afpa.org.au](mailto:jon.huntsharman@afpa.org.au)  
Mob: +61 (0)411 711 101  
Tel: +61 (0)2 6285 1677

20<sup>th</sup> November 2009

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**

**ABN 95 799 543 741**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2009**

# AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

## 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

Auditor's Disclaimer

Profit and Loss Account

Trading Account

# AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

## COMMITTEE OF MANAGEMENT STATEMENT

On the data 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 2009:

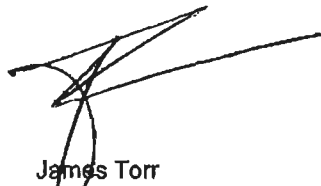
The Committee of Management declares in relation to the GPFR that in its opinion:

- (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 organisation including the rules of a branch concerned;
  - (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;
  - (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;
  - (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;
  - (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  
Branch National President



James Torr  
Chief Executive Officer

Date:

1/10/09

# **AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**

## **OPERATING REPORT**

This Operating Report covers the results of those activities that were provided for the financial year ended 30 June 2009.

### **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 principal activities or financial affairs during the financial year ended 30th June 2009.

### **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 2009.

### **NUMBER OF MEMBERS**

The number of persons who, at the end of the reporting period 30th June 2009, were recorded on the Register of Members of the Association was 3749.

### **NUMBER OF EMPLOYEES**

The number of persons who were, at the end of the reporting period 30th June 2009, employees of the Association were 14 (includes 2 part time employees measured on a full time equivalent basis and 4 casual employees).

# AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

## OPERATING REPORT

### MEMBERS OF COMMITTEE MANAGEMENT

The persons who held office as members of the Committee of Management of the Association during the reporting period 30th June 2009 are:

### BRANCH NATIONAL PRESIDENT

Jonathan Hunt-Sharman Branch National President (Re-Elected 8/8/2008)

### BRANCH VICE PRESIDENTS

Marianne Tully Branch Vice President - Federal Operations (Re-Elected 8/8/2008 – Resigned 20/8/2008)  
Ian Bridle Branch Vice President - Federal Operations (Appointed - 20/8/2008)  
Dennis Gellatly Branch Vice President - Community Operations (Re-Elected 8/8/2008)  
Mark Jager Branch Vice President - Policing Operations (Elected 8/8/2008)  
Aidan King Branch Vice President - Protective Service Operations (Elected 8/8/2008)  
Christopher Collingwood Branch Vice President - Specialist Operations (Re-Elected 8/8/2008)  
Richard Smeltink Branch Vice President - International Operations (Elected 8/8/2008)

### BRANCH CHIEF EXECUTIVE OFFICER

Jim Torr Branch Chief Executive Officer (Re-Elected 8/8/2008)

### ACT & CONTRACT POLICING ZONE

**Position Vacant** ACT & Contract Policing Zone - Zone Coordinator (Vacant Position - 7/8/2008)  
Gary Shute ACT & Contract Policing Zone - Zone Coordinator (Elected 11/12/2007- Resigned 7/8/2008)  
**Position Vacant** ACT & Contract Policing Zone - Workplace Delegate (Vacant Position 18/8/2008)  
Clayton Baldwin ACT & Contract Policing Zone - Workplace Delegate (Elected 11/12/2007- Resigned 18/8/2008)  
Adrian Craft ACT & Contract Policing Zone - Workplace Delegate (Elected 11/12/2007)  
Natalie Ettridge ACT & Contract Policing Zone - Workplace Delegate (Elected 11/12/2007)  
Greg Palethorpe ACT & Contract Policing Zone - Workplace Delegate (Elected 11/12/2007)  
Angela Smith ACT & Contract Policing Zone - Workplace Delegate (Elected 11/12/2007)

### AVIATION COUNTER TERRORISM FIRST RESPONSE GROUP ZONE

**Vacant Position** Aviation Counter Terrorism First Response Group Zone - Zone Coordinator (Vacant 15/5/2008)  
Chris Chatterton Aviation Counter Terrorism First Response Group Zone - Workplace Delegate (Elected 11/12/2007)  
Gary Griffin Aviation Counter Terrorism First Response Group Zone - Workplace Delegate (Elected 11/12/2007)

### AVIATION AIR SECURITY OFFICERS ZONE

Mike Hollis Aviation Air Security Officers Zone - Zone Coordinator (Elected 11/12/2007)

### CLOSE PERSONAL PROTECTION ZONE

Vincent Pannell Close Personal Protection Zone - Zone Coordinator (Elected 11/12/2007)

### CORPORATE ZONE

Paul Breen Corporate Zone - Zone Coordinator (Elected 11/12/2007)  
Russell Rowell Corporate Zone - Workplace Delegate (Elected 11/12/2007)

### EXECUTIVE ZONE

Brian McDonald Executive Zone - Zone Coordinator (Elected 11/12/2007)

### FORENSIC OPERATIONS & CBRN ZONE

Eric Davis Forensic Operations & CBRN Zone - Zone Coordinator (Elected 11/12/2007)



## AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

### FEDERAL INVESTIGATIONS & OFFICE OPERATIONS SUPPORT ZONE

Ben Santamaria Federal Investigations & Office Operations Support Zone - Zone Coordinator (Elected 11/12/2007)  
**Vacant Position Federal Investigations & Office Operations Support Zone - Workplace Delegate ACT (Position Vacant 7/8/2008)**  
Mark Jager Federal Investigations & Office Operations Support Zone - Workplace Delegate ACT  
(Elected 11/12/2007- Resigned 7/8/2008)  
Stuart Millen Federal Investigations & Office Operations Support Zone - Workplace Delegate NSW (Elected 11/12/2007)  
Mark Kelly Federal Investigations & Office Operations Support Zone - Workplace Delegate QLD&NT (Elected 11/12/2007)  
**Vacant Position Federal Investigations & Office Operations Support Zone - Workplace Delegate SA (Position Vacant 20/8/2008)**  
Ian Bridle Federal Investigations & Office Operations Support Zone - Workplace Delegate SA  
(Elected (11/12/2007 Resigned 20/8/2008)  
Fiona Cleeland Federal Investigations & Office Operations Support Zone - Workplace Delegate VIC&TAS (Elected 11/12/2007)  
John Whitehead Federal Investigations & Office Operations Support Zone - Workplace Delegate WA (Elected 11/12/2007)

### INTELLIGENCE ZONE

Kenneth Lamb Intelligence Zone - Zone Coordinator (Elected 11/12/2007)  
Adrian Smith Intelligence Zone - Workplace Delegate (Elected 11/12/2007)  
Blaise O'Shaughnessy Intelligence Zone - Workplace Delegate (Elected 11/12/2007)

### INTERNATIONAL DEPLOYMENT GROUP ZONE

**Vacant Position International Deployment Group Zone - Zone Coordinator (Position Vacant.7/8/2008)**  
Richard Smeltink International Deployment Group Zone - Zone Coordinator (Elected 11/12/2007- Resigned7/8/2008)  
Andrew Clarke International Deployment Group Zone - Workplace Delegate (Elected 11/12/2007)

### LEARNING AND DEVELOPMENT ZONE

Noel Lymbery Learning & Development Zone - Zone Coordinator (Elected 11/12/2007)

### SURVEILLANCE AND TECHNICAL OPERATIONS ZONE


Glen McDonald Surveillance & Technical Operations Zone - Zone Coordinator (Elected 11/12/2007)  
Stephen Meagher Surveillance & Technical Operations Zone - Workplace Delegate (Elected 11/12/2007)

### UNIFORM PROTECTION ZONE

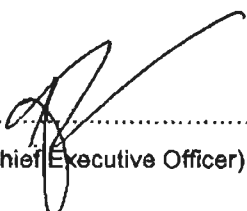
Wayne Challen Uniform Protection Zone - Zone Coordinator (Elected 11/12/2007)  
Gary Dean Uniform Protection Zone - Workplace Delegate (Elected 11/12/2007)  
Mark Smith Uniform Protection Zone - Workplace Delegate (Elected 11/12/2007)

### OPERATING RESULT

The profit from ordinary activities after providing for income tax amounted to \$489,649 (2008: \$338,153)

  
.....  
Jon Hunt-Sharman (Branch National President)

1<sup>st</sup> October 2009  
.....  
Dated

  
.....  
James Torr (Chief Executive Officer)

1/10/09  
.....  
Dated

# 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 AUDITOR'S REPORT

### TO THE MEMBERS OF

### AUSTRALIAN FEDERAL POLICE ASSOCIATION - BRANCH

#### Report on the Financial Report

We have audited the accompanying financial report of Australian Federal Police Association - Branch which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

#### *Committees' Responsibility for the Financial Report*

The committee of the association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements of the requirements of Part 3 of Chapter 8 of Schedule 1B (RAO Schedule) of the Workplace Relations ACT 1996. 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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.

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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.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committees' financial reporting requirements under Part 3 of Chapter 8 of Schedule 1B (RAO Schedule) of the Workplace Relations ACT 1996. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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 the Australian professional accounting bodies.

*Auditor's Opinion*

In our opinion the financial report of Australian Federal Police Association – Branch presents fairly, in all material respects, the financial position of Australian Federal Police Association – Branch as at 30 June 2009 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements of Part 3 of Chapter 8 of Schedule 1B (RAO Schedule) of the Workplace Relations ACT 1996.

Canberra, Australian Capital Territory

RSM BIRD CAMERON  
Chartered Accountants



G STENHOUSE  
Director

Dated: 1<sup>st</sup> OCTOBER 2009

## AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

### INCOME STATEMENT FOR YEAR ENDED 30 JUNE 2009

	Note	2009	2008
		\$	\$
Revenue	2	2,778,913	2,507,669
Raw materials and consumables used		(18,506)	(24,132)
Consultant fees		(122,150)	(106,966)
Employee benefits expense		(832,245)	(602,679)
Depreciation and amortisation expenses		(13,598)	(17,033)
Affiliation fees		(55,671)	(68,290)
Contract work		(31,946)	(163,560)
Donations		(1,000)	-
Legal assistance for members		(61,032)	(116,075)
Life assurance for members		(569,075)	(524,877)
Rent – Branch office		(90,927)	(107,447)
Telephone		(19,842)	(25,540)
Travel, subsistence & accommodations		(112,846)	(110,382)
Other expenses		(360,426)	(302,535)
Profit before income tax		489,649	338,153
Income tax expense	1a	-	-
Profit attributable to the Association		489,649	338,153

The accompanying notes form part of these financial statements.

## AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

### BALANCE SHEET AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	2,748,771	2,239,178
Short term investments	6	197,855	187,267
Receivables	7	41,561	38,042
Inventories	8	8,947	22,593
Other current assets	9	221,238	124,976
<b>TOTAL CURRENT ASSETS</b>		<b>3,218,372</b>	<b>2,612,056</b>
<b>NON-CURRENT ASSETS</b>			
Receivables	7	156,482	120,312
Plant and equipment	10	37,200	35,129
<b>TOTAL NON-CURRENT ASSETS</b>		<b>193,682</b>	<b>155,441</b>
<b>TOTAL ASSETS</b>		<b>3,412,054</b>	<b>2,767,497</b>
<b>CURRENT LIABILITIES</b>			
Payables	11	282,210	137,512
Short-term provisions	12	25,595	22,599
<b>TOTAL CURRENT LIABILITIES</b>		<b>307,805</b>	<b>160,111</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	12	16,383	9,169
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>16,383</b>	<b>9,169</b>
<b>TOTAL LIABILITIES</b>		<b>324,188</b>	<b>169,280</b>
<b>NET ASSETS</b>		<b>3,087,866</b>	<b>2,598,217</b>
<b>EQUITY</b>			
Retained earnings		<b>3,087,866</b>	<b>2,598,217</b>
<b>TOTAL EQUITY</b>		<b>3,087,866</b>	<b>2,598,217</b>

The accompanying notes form part of these financial statements.

## AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2007</b>	2,260,064	-	2,260,064
Profit attributable to members	338,153	-	338,153
<b>Balance at 30 June 2008</b>	2,598,217		2,598,217
Profit attributable to members	489,649		489,649
<b>Balance at 30 June 2009</b>	3,087,866	-	3,087,866

The accompanying notes form part of these financial statements.

## AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

### CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009	2008
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members		2,867,409	2,558,977
Receipts from sales of souvenirs		32,597	32,556
Payments to suppliers and employees		(2,466,234)	(2,359,572)
Interest received		129,806	126,673
Other revenue		9,415	41,357
Net cash provided by (used in) operating activities	17	<u>572,993</u>	<u>399,991</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		(16,644)	(1,181)
Purchase of investments		(10,586)	(12,931)
Loan advance to CSC		(60,000)	-
Loans to CSC — proceeds from repayments		23,830	23,948
Net cash provided by (used in) investing activities		<u>(63,400)</u>	<u>9,836</u>
Net increase in cash held		509,593	409,827
Cash at beginning of financial year		<u>2,239,178</u>	<u>1,829,351</u>
Cash at end of financial year	5	<u>2,748,771</u>	<u>2,239,178</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report covers Australian Federal Police Association – Branch as an individual entity. Australian Federal Police Association – Branch is an association incorporated in Australian Capital Territory under the Workplace Relations Act 1996.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting 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.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**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.



**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**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, are charged as expenses in the periods in which they are incurred.

**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's 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 – BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

### NOTE 2: REVENUE

	Note	2009 \$	2008 \$
Operating activities			
— members subscriptions		2,610,058	2,342,104
— sale of goods		29,634	32,556
		<u>2,639,692</u>	<u>2,374,660</u>
Non-operating activities			
— interest received	2a	129,807	126,849
— Insurance recoveries			-
— other income		9,414	6,160
		<u>139,221</u>	<u>133,009</u>
Other revenue			
Total Revenue		<u>2,778,913</u>	<u>2,507,669</u>
a. Interest revenue from:			
— Financial Institutions		118,945	114,605
— Canberra Services Club		10,862	12,244
Total interest revenue		<u>129,807</u>	<u>126,849</u>

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 3: PROFIT FROM ORDINARY ACTIVITIES**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Profit from ordinary activities before income tax expense has been determined after:		
<b>Expenses:</b>		
Affiliation fees	55,672	68,230
Compulsory levy payments	-	-
Cost of sales (souvenirs)	18,506	24,132
Donations (All less than \$1,000)	-	-
Donations - Australian Law and Justice Welfare Foundation	-	-
Depreciation of plant and equipment	13,598	17,033
Employees benefit to holders of offices		
— Wages and salaries (including non monetary benefits)	240,158	87,207
— Annual leave provision	4,046	3,034
— Long service leave provision	5,329	4,329
— Superannuation	81,005	15,655
Employees benefit to employees (other than holders of offices)		
— Wages and salaries (including non monetary benefits)	419,825	391,273
— Annual leave provision	14,312	(13,323)
— Long service leave provision	4,881	4,089
— Superannuation	53,288	44,942
Expenses incurred in connection with meetings and conferences	46,171	51,888
Fees or subscriptions paid to related organisations		-
Fees or allowances paid in respect of attendances at conferences or other meetings	112,846	110,382
Grants	-	-
Interest on loans	-	-
Legal assistance for members	61,032	116,075
Legal fees	29,794	27,221
Net loss on disposal of plant and equipment	975	-
Payments to any political party	-	-
Payroll deduction expenses paid to employers	-	-
Penalties paid under the Act or Regulations	-	-
Remuneration of auditor		
— audit services	13,325	9,400
— other services	-	-
Total remuneration	13,325	9,400
Rental expense on operating leases		
— minimum lease payments	8,644	8,959
Other general administration expenses	1,105,857	1,198,990
Total expenses	2,289,264	2,169,516

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION**

	Short-term Benefits				Total
	Salary & Fees	Super- annuation Contribution	Bonus	Non-Cash Benefits	
		\$			
<b>2009</b>					
Total compensation	240,158	61,712	-	9,375	311,245
<b>2008</b>					
Total compensation	266,422	15,655	-	7,363	289,440

**NOTE 5: CASH AND CASH EQUIVALENTS**

	2009	2008
	\$	\$
Cash on hand	250	750
Cash at bank	1,671,259	726,301
Short-term bank deposits	1,077,262	1,512,127
	2,748,771	2,239,178

The effective interest rate on short-term bank deposits was 2.35% (2008: 7.50%); these deposits have an average maturity of 90 days.

**NOTE 6: SHORT TERM INVESTMENTS**

Term deposits	197,855	187,267
	197,855	187,267

The effective interest rate on term deposits was 2.35% (2008: 7.50%); these deposits have an average maturity of 6 months.

**NOTE 7: RECEIVABLES**

**CURRENT**

Other receivables	1,179	1,056
Trade receivables	4,130	-
Interest receivable	1,560	2,294
Secured loan – Canberra Services Club Ltd	34,692	34,692
	41,561	38,042

**NON-CURRENT**

Secured loan – Canberra Services Club Ltd	156,482	120,312
---	---------	---------

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 Australian Federal Police Association advanced \$60,000 to CSC in May 2009.

The loan attracts interest at the rate of 7% per annum. After interest and repayment the balance owing at 30 June 2009 was \$191,174. 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: RECEIVABLES (CONTINUED)**

## AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

There are no balances within other receivables that contain assets that are impaired and are past due. It is expected these balances will be received when due, impaired assets are provided for in full where applicable

NOTE 8: INVENTORIES	2009	2008
CURRENT	\$	\$
Stock of souvenirs, at cost	8,947	22,593

NOTE 9: OTHER ASSETS		
CURRENT		
Prepayments	121,238	124,976
Accrued insurance recoveries	100,000	-
	<u>221,238</u>	<u>124,976</u>

NOTE 10: PLANT AND EQUIPMENT		
Plant and equipment at cost	91,754	98,842
Accumulated depreciation	(54,554)	(63,713)
Total plant and equipment	<u>37,200</u>	<u>35,129</u>

#### 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	35,129	50,981
Additions	16,644	1,181
Disposals	(975)	-
Depreciation expense	(13,598)	(17,033)
Carrying amount at the end of year	<u>37,200</u>	<u>35,129</u>

NOTE 11: PAYABLES		
CURRENT		
Sundry payables and accrued expenses	166,407	98,804
MasterCard account	16,857	-
GST payable	28,204	6,620
Employee benefits	70,742	32,088
	<u>282,210</u>	<u>137,512</u>

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 12: PROVISIONS

	<b>Long-term Employee Benefits</b>	
	<b>\$</b>	
Opening balance at 1 July 2008	31,768	
Additional provisions	10,210	
Amounts used	-	
Balance at 30 June 2009	41,978	
<b>Analysis of Total Provisions</b>		
	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Current	25,595	22,599
Non-current	16,383	9,169
	41,978	31,768

**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 13: ECONOMIC DEPENDENCE

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

NOTE 14: 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	99,463
— between one year and five years	397,852
— greater than five years	-
	497,315

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 15: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

NOTE 16: EVENTS AFTER THE BALANCE SHEET DATE

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

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 17: CASH FLOW INFORMATION

	2009	2008
	\$	\$
<b>a. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax</b>		
Profit after income tax	489,649	338,153
Non-cash flows in profit		
Depreciation	13,598	17,033
Net loss on disposal of plant and equipment	974	-
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(3,519)	35,021
(Increase)/decrease in other assets	(96,263)	(19,908)
(Increase)/decrease in inventories	13,646	(1,515)
Increase/(decrease) in payables	106,044	34,441
Increase/(decrease) in provisions	48,864	(3,234)
	572,993	399,991

**b. Non-cash Financing Activities**

There were no non-cash financing 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 18: SEGMENT REPORTING

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

NOTE 19: 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 – BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 19: FINANCIAL INSTRUMENTS**

**b. Financial Instrument Composition and Maturity Analysis**

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed of maturity, as well as managements expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Within 1 Year		Fixed Interest Rate 1 to 5 Years		Non-interest Bearing	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>										
Cash and cash equivalents	0.25	0.50	1,671,259	726,301	-	-	-	-	-	-
Short term deposits	2.63	5.18	-	-	1,077,262	1,512,127	-	-	-	-
Loans and receivables	7.00	7.00	-	-	34,692	34,692	156,482	120,312	100,000	-
Short term investments	2.63	5.18	-	-	197,855	187,267	-	-	-	-
<b>Total Financial Assets:</b>			<b>1,671,259</b>	<b>726,301</b>	<b>1,309,809</b>	<b>1,734,086</b>	<b>156,482</b>	<b>120,312</b>	<b>100,000</b>	<b>-</b>
Trade and sundry payables			16,857	-	-	-	-	-	194,611	105,424
<b>Total Financial payables</b>			<b>16,857</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>194,611</b>	<b>105,424</b>

Trade and sundry payables are expected to be paid as follows

	2009	2008
	\$	\$
Less than 3 months	211,468	105,424
	<b>211,468</b>	<b>105,424</b>

**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.



## AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

#### d. Sensitivity analysis

##### Interest rate risk

The Association has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 30 June 2009, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2009	2008
	\$	\$
Change in profit		
- Increase in interest rate by 1%	(29,640)	(24,603)
- Decrease in interest rate by 1%	29,640	24,603
Change in equity		
- Increase in interest rate by 1%	(29,640)	(24,603)
- Decrease in interest rate by 1%	29,640	24,603

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged

No sensitivity analysis has been performed on foreign currency risk as the association is not exposed to foreign currency fluctuations.

#### NOTE 20: ASSOCIATION DETAILS

The principal places of business is:

Australian Federal Police Association – Branch

Level 9 AMP Tower, 1 Hobart Place, Canberra City, ACT 2601

#### NOTE 21: 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).

## AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

#### NOTE 22: NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

At the date of this financial report the following standards and interpretations, which may impact the entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 123	<i>Borrowing Costs</i>	Revised standard – requires borrowing costs directly attributable to qualifying assets to be capitalised, where previously they could be immediately expensed.	1 January 2009	Not expected to have a material impact on the entity's financial statements
AASB 2007-6	<i>Amendments to Australian Accounting Standards arising from AASB 123</i>	Amends AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12 as a result of issue of AASB 123	1 January 2009	Not expected to have a material impact on the entity's financial statements
AASB 2007-8	<i>Amendments to Australian Accounting Standards arising from AASB 101</i>	Amends the majority of standards and Interpretations as a result of issue of AASB 101	1 January 2009	Disclosures only
AASB 101	<i>Presentation of Financial Statements</i>	Revised standard – amends disclosure requirements and format of financial statements	1 January 2009	Disclosures only
AASB 2009-5	<i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project</i> [AASB 5, 8, 101, 107, 117, 118, 136, 139]	Amends a number of standards as a result of the annual improvements project.	1 January 2010	Not expected to have a material impact on the entity's financial statements
AASB 2009-2	<i>Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments</i> [AASB 4, AASB 7, AASB 1023 & AASB 1038]	Amends AASB 7 to require enhanced disclosures about fair value measurements and liquidity risk.	1 January 2009	Disclosures only
AASB 2008-3	<i>Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127</i>	Amends a number of standards and Interpretations as a result of the issue of AASB 3 and AASB 127,	1 July 2009	Not expected to have a material impact on the entity's financial statements

# RSM Bird Cameron

Chartered Accountants

Level 1, 103-105 Northbourne Avenue Canberra ACT 2801  
GPO Box 200 Canberra ACT 2801  
T +61 2 6247 5988 F +61 2 6247 3703  
www.rsmi.com.au

## AUDITOR'S DISCLAIMER

### AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

The additional financial data presented in the following pages is in accordance with the books and records of Australian Federal Police Association – Branch which have been subjected to the auditing procedures applied in our audit of the Association for the year ended 30 June 2009. 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 – Branch) in respect of such data, including any errors or omissions therein however caused.

Canberra, ACT

**RSM Bird Cameron**  
Chartered Accountants



Dated: 1<sup>st</sup> OCTOBER 2009

G STENHOUSE  
Director

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 – BRANCH**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
<b>REVENUE</b>		
Operating activities		
Members subscriptions	2,610,058	2,342,104
Gross Profit from trading	4,851	8,425
Non-operating activities		
Rent	-	-
Insurance Recoveries	-	-
Interest	129,806	126,849
Other revenue	9,414	6,160
	<u>2,754,129</u>	<u>2,483,538</u>
<b>EXPENDITURE</b>		
Advertising	-	1,632
Affiliation fees	55,671	68,290
Audit	13,325	9,400
Agreements/Campaigns	58,910	-
Bank charges	3,838	3,950
Bad Debts	-	5,244
Consultants – IT	72,228	106,966
Contract Work	31,946	163,560
Depreciation	13,598	17,033
Donations	1,000	-
Electricity	5,293	5,014
Freight & postage	2,496	4,069
Fringe benefit tax	11,338	9,454
Insurance	15,522	50,461
Internet and web expenses	49,922	-
Legal fees	29,794	27,222
Legal assistance for members	61,032	116,075
Life assurance for members	569,075	524,877
Long service leave provision	10,210	8,419
Meeting expenses	46,171	51,888
Membership fees	26,000	30,297
Motor vehicle expenses	83,353	58,086
Office expenses	26,885	17,989
Printing & stationery	14,527	28,325
Rent – branch office	90,927	107,447
Rental expense on operating leases - equipment	8,644	8,959
Salaries & wages	706,903	520,543

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
Staff amenities	1,136	1,180
Staff training	6,920	2,486
Superannuation	115,129	60,597
Telephone	19,841	25,540
Travel, subsistence & accommodations	112,846	110,382
	<hr/>	<hr/>
	2,264,480	2,145,385
Profit from ordinary activities before income tax	489,649	338,153
Income tax expense	-	-
	<hr/>	<hr/>
Profit from ordinary activities after income tax	489,649	338,153
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR	2,598,217	2,260,064
Transfer to Reserve	-	-
	<hr/>	<hr/>
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	<u>3,087,866</u>	<u>2,598,217</u>

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

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**TRADING ACCOUNT FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
SALES		
Sales	29,634	32,556
COST OF GOODS SOLD		
Opening stock	22,593	21,078
Purchases	18,506	25,646
Shrinkage	(7,369)	-
	<hr/> 33,730	<hr/> 46,724
Closing stock	8,947	22,593
	<hr/> 24,783	<hr/> 24,131
Trading profit	<hr/> 4,851	<hr/> 8,425

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



FAIR WORK  
AUSTRALIA

24 December 2009

Mr Jon Hunt-Sharman  
National President  
Australian Federal Police Association Branch of the Police Federation of Australia  
Level 9, AMP Building, 1 Hobart Place  
Canberra, ACT, 2600  
By email: [jon.huntsharman@afpa.org.au](mailto:jon.huntsharman@afpa.org.au)

cc: Ms Vesna Trajanoska  
Director Finance Administration  
Australian Federal Police Branch of the Police Federation of Australia  
Level 9, AMP Building, 1 Hobart Place  
Canberra, ACT, 2600  
By email: [vesna.trajanoska@afpa.org.au](mailto:vesna.trajanoska@afpa.org.au)

cc: Mr G Stenhouse  
Director  
RSM Bird Cameron Chartered Accountants  
GPO Box 200  
Canberra ACT 2601  
By email: [ged.stenhouse@rsmi.com.au](mailto:ged.stenhouse@rsmi.com.au)

Dear Mr Hunt-Sharman

**Re: Financial report of the Australian Federal Police Association Branch of the Police Federation of Australia for year ended 30 June 2009 (FR2009/233)**

I acknowledge receipt of the financial report of the Australian Federal Police Association Branch of the Police Federation of Australia for the year ended 30 June 2009. The documents were lodged with Fair Work Australia on 20 November 2009.

The financial report has not been filed as further clarification is required in relation to a number of matters.

**1. Auditor's report**

I note that the Auditor's Report contains the following statement which, on its face, seems to be an appropriate disclaimer for a special purpose financial report (ASA 800):

*We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared*

However, the notes to the financial statements specifically identify the report as a general purpose financial report (as required under [section 253](#) of the *Fair Work (Registered Organisations) Act 2009* (the RO Act)). I therefore request that you seek clarification from your auditor as to whether his report pertains to a general purpose or a special purpose financial report and that you forward this advice to FWA for consideration.

## 2. Related party transactions

I also seek your view as to whether any disclosures regarding transactions with related parties are required. For example, it appears that the President of the Canberra Services Club is an officer of the AFPA Branch of the PFA and therefore a disclosure of related party transaction may be required (in accordance with AASB 124). If you are of the view that any such disclosures are required, you are requested to provide FWA with the required disclosures. If you have a contrary view I would be pleased if you would communicate this to our office.

## 3. Donations

I note that the income statement discloses \$1000 in expenses as donations. However note 3 to financial statements suggests that no donations were made. I therefore request an explanation for the apparent discrepancy and clarification of the total amount of donations made.

## 4. Presentation of report to a meeting of the reporting unit

[Section 266](#) of the RO Act requires the full report to be presented a general meeting or a committee of management meeting of the *reporting unit*. I note that the Designated Officer's Certificate states that the full report was presented to the Federal Executive of the Police Federation of Australia. However, the Police Federation of Australia is not the reporting unit in this instance. The report needs to be presented to the Executive or Council of the Australian Federal Police Association Branch of the Police Federation of Australia.

After the information requested above has been received and considered by FWA, it will be necessary to present the full report to either the Branch's Executive or Council. Within 14 days of this meeting the documents, including a fresh designated officer's certificate, will need to be re-lodged with FWA.

## Summary

Accordingly, in order to secure compliance with your obligations under the RO Act, the Branch is required to:

1. Seek clarification from your auditor as to whether his report pertains to a general purpose or special purpose financial report and to forward the advice to FWA for consideration;
2. Provide an explanation as to whether any disclosures regarding related parties are required and, if so, to provide FWA with the required disclosures; and
3. Provide an explanation for the apparent discrepancy in the disclosures regarding expenses for donations and clarification of the total amount of donations made.

Once FWA has received and considered this information, the Branch will be required to present full report to either the Branch's Executive or Council and then re-lodged the documents with FWA.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I can be contacted on 03 8661 7929 or by email at: [eve.anderson@fwa.gov.au](mailto:eve.anderson@fwa.gov.au). I have provided your auditor with a copy of this letter.

Yours sincerely



Eve Anderson  
Tribunal Services and Organisations  
Fair Work Australia  
Tel: 03 86617929

Email: [eve.anderson@fwa.gov.au](mailto:eve.anderson@fwa.gov.au)



**ANDERSON, Eve**

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**From:** Jon HuntSharman [Jon.HuntSharman@afpa.org.au]  
**Sent:** Tuesday, 2 February 2010 12:22 PM  
**To:** ANDERSON, Eve  
**Cc:** Vesna Trajanoska; Jim Torr; Ian Phillips  
**Subject:** FW: Australian Federal Police Association Financial Report 2009 - Designated Officers Statement  
**Attachments:** Designated Officers Certificate20112009.doc; 4804\_001 (2).pdf

Eve,

Further to your letter dated 24<sup>th</sup> December 2009 addressing point (4), please be advised that the unsigned copy of the Financial Report 2009 was present on the 2<sup>nd</sup> September 2009 to the National Executive of the AFPA and the signed off copy of the Financial Report 2009 was presented both to the National Executive of the AFPA on the 15<sup>th</sup> November 2009 and the PFA Federal Council on the 16<sup>th</sup> of November 2009.

Many thanks

**Jon Hunt Sharman**  
National President



Australian Federal Police Association  
Level 9 AMP Tower  
1 Hobart Place  
Canberra ACT 2600  
AFP Internal 162484  
Ph. +612 6285 1677  
Fax. +612 6285 2090  
Em. [jon.huntsharman@afpa.org.au](mailto:jon.huntsharman@afpa.org.au)  
Web. [www.afpa.org.au](http://www.afpa.org.au)

# 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

GS:ASN:72092  
31 March 2010

Fair Work Australia  
Attention: Eve Anderson  
GPO Box 1994  
MELBOURNE VIC 3001

Dear Eve.

## **FINANCIAL REPORT OF THE AUSTRALIAN FEDERAL POLICE ASSOCIATION BRANCH OF THE POLICE FEDERATION OF AUSTRALIA FOR THE YEAR ENDED 30 JUNE 2009 (FR2009/233).**

The management of the Australian Federal Police Association – National Branch (AFPA) have requested that we respond to your letter dated 24<sup>th</sup> December 2009.

Please see our responses below to your queries below:

1. *Seek clarification from your Auditor as to whether his report pertains to a general purpose or special purpose financial report and forward the advice to FWA for consideration.*

We confirm that as Auditors of AFPA, the Auditors report pertains to a general purpose financial report.

2. *Provide an explanation as to whether any discrepancy in the disclosures regarding related parties are require and, if so, to provide FWA with the required disclosures.*

We have been informed by AFPA management that the president of the Canberra Services Club (CSC) (Vincent Pannell) is an officer of the AFPA Branch and therefore a disclosure of related party transactions is required.

We understand that Mr Vincent Pannell was elected as a Member of The National Council on 11 December 2007. We have been informed by the AFPA management that Mr Vincent Pannell has since stood down as president of the CSC (dated 16 November 2009)

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

### Related Party Transactions Disclosure

Based on our discussions with AFPA management, the transactions between CSC and AFPA are a long term loan of \$150,000 which was granted in July 2004 and extended to \$229,800 in May 2009. AFPA management have confirmed that the terms of the loan are on normal commercial terms and conditions no more favourable than those available to other parties.

The loan attracts 7% interest and after interest and repayments, the balance owing at 30 June 2009 was \$191,174.

AFPA management have informed us that other transactions between CSC and AFPA during the financial year were as follows

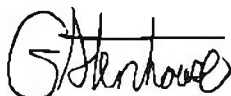
Loan advance to CSC in May 2009	(60,000)
Loan repayments from CSC (including 7% interest)	23,830
Annual CSC membership fees paid by AFPA	(15,000)

3. *Provide an explanation for the apparent discrepancy in the disclosures regarding expenses for donations and clarification of the total amount of donations made.*

AFPA management have informed us that the donations were inadvertently omitted from note 3 of the financial statements. A welfare donation was paid to in respect to an AFPA member. The amount paid was \$1,000 on 23 December 2008.

If you have any queries please don't hesitate to contact me on (02) 6217 0369.

Kind Regards



GED STENHOUSE  
Director