



FAIR WORK  
COMMISSION

3 April 2013

Jon Hunt Sharman  
National President  
Police Federation of Australia  
Australian Federal Police Association Branch

By email: [jon.hunt-sharman@afpa.org.au](mailto:jon.hunt-sharman@afpa.org.au)

CC: Vesna Trajanoska by email: [Vesna.trajanoska@afpa.org.au](mailto:Vesna.trajanoska@afpa.org.au)

Dear Mr Hunt Sharman,

**Re Financial Report for the Police Federation of Australia - Australian Federal Police Association Branch - for year ended 30 June 2012 (FR2012/233)**

I acknowledge receipt of the further information requested. It was received at the Fair Work Commission on 27 February 2013.

The financial report has now been filed.

The following comments are to assist you when you prepare the 2013 financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

**1. Terminology**

The Committee of Management Statement contains a final reference to the Registrar at (e)(v) which appears to have been missed during your review of the document. Thank you for updating the other references.

I note that following the renaming of the tribunal to the Fair Work Commission on 1 January 2013, the language of the Committee of Management Statement will need to be adjusted for future financial reports; particularly (b) and (e)(vi).

**2. Auditor's Qualifications**

Regulation 4 of the *Fair Work (Registered Organisations) Regulations 2009* defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants, and holds a current Public Practice Certificate. While in all likelihood the auditor is such a person it is not explicitly stated within the auditor's report.

It is the Commission's preference that future General Purpose Financial Reports identify the qualifications of the auditor sufficiently to ascertain that they are an 'approved auditor'.

**3. Operating Report**

The Operating Report contains a thorough list of the Principal Activities and the required statement concerning significant changes to those activities.

The Operating Report should also contain a statement of results. This is a short descriptive statement concerning what the branch achieved in pursuit of its principal activities.

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

The filing letter last year explained this requirement in detail and it has been included with this letter for your reference.

#### **4. Cash flow statement and notes**

Finally, the branch has stated in Note 3 among its expenses that it paid \$67,473 in “affiliation” fees to the Police Federation of Australia.

The cash flows relating to this type of capitation fees would normally also appear in the Cash Flow Statement or its notes.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03 8661 7974 or by email at [catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au).

Kind regards

A handwritten signature in black ink, appearing to read 'C. Bebbington', with a horizontal line extending from the end of the signature.

**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

#### **FAIR WORK COMMISSION**

Tel: 03 8661 7974

Fax: 03 9655 0410

[catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au)

11 Exhibition Street, Melbourne Victoria 3000  
GPO Box 1994, Melbourne Victoria 3001

[www.fwc.gov.au](http://www.fwc.gov.au)

**From:** [Jon Hunt-Sharman](#)  
**To:** [BEBBINGTON, Catherine](#)  
**Subject:** FW: FR2012/233 - Police Federation of Australia, Australian Federal Police Association Branch - Financial Report - NOT FILED Further information requested.  
**Date:** Wednesday, 27 February 2013 10:15:32 AM  
**Attachments:** [image001.jpg](#)  
[image004.jpg](#)  
[AFPA Note 13- Breakdown \(2\).docx](#)

---

Catherine,

To clarify the issues raised in your letter dated 7<sup>th</sup> January 2013, prior to the filing of the General Purpose Financial Report, we wish to confirm the following;

### **1. Employee expenses**

In compliance with our obligations under the RO Act we provide you with a breakdown of the provisions within Note 13 for officers and for employees (other than holders of office), please see attachment.

### **2. Superannuation boards or trustees**

In compliance with Subsection 254(2)(d) of the RO Act:

*No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.*

Yours Sincerely



**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)

**NOTE 13: EMPLOYEE PROVISIONS*****Provisions for holders of office*****Current**

Annual leave	75,446	48,349
Long service leave	24,495	19,119
<b>Total current</b>	<b>99,935</b>	<b>66,406</b>

**Non-current**

Long Service Leave	14,955	11,926
<b>Total non-current</b>	<b>14,955</b>	<b>11,926</b>

***Provisions for employees (other than holders of office)*****Current**

Annual leave	49,288	35,545
Long service leave	22,658	30,879
<b>Total current</b>	<b>71,946</b>	<b>66,424</b>

**Non-current**

Long Service Leave	19,724	14,026
<b>Total non-current</b>	<b>19,724</b>	<b>14,026</b>

**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.



FAIR WORK  
COMMISSION

7 January 2013

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

By email: [jim.torr@afpa.org.au](mailto:jim.torr@afpa.org.au)

CC: Vesna Trajanoska by email: [Vesna.trajanoska@afpa.org.au](mailto:Vesna.trajanoska@afpa.org.au)

Dear Mr Torr,

**Re: Financial report of the Police Federation of Australia - Australian Federal Police Association Branch for the year ended 30 June 2012 (FR2012/233)**

I acknowledge receipt of the financial report of the Police Federation of Australia - Australian Federal Police Association Branch for the year ended 30 June 2012. The documents were lodged with Fair Work Australia on 20 November 2012.

The report has not been filed.

I write to request clarification of the below issue prior to the filing of the General Purpose Financial Report.

**1. Employee expenses**

The financial statements have disclosed wages, leave and superannuation separately for officers and employees, but do not similarly disclose the breakdown of the provisions. The Reporting Guidelines requires that all employee and officer benefits, not merely those already paid, are reported separately.

In order to secure compliance with your obligations under the RO Act please provide a breakdown of the provisions within Note 13 for officers and for employees (other than holders of office).

**2. Superannuation boards or trustees**

Subsection 254(2)(d) of the RO Act requires details of any *officer or member* of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme.

The General Purpose Financial Report only clarifies the issue in relation to officers.

If no officers or members of the reporting unit is a trustee of a superannuation entity, the preferred wording to satisfy the subsection 254(2)(d) is:

*No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.*

Please confirm in writing that no members needed to be disclosed under section 254 of the RO Act.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03 8661 7974 or by email at [catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'C Bebbington', with a stylized flourish at the end.

**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

**Fair Work Commission**

Tel: 03 8661 7974

Fax: 03 9655 0410

[catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au)

11 Exhibition Street, Melbourne Victoria 3000

GPO Box 1994, Melbourne Victoria 3001

[www.fwc.gov.au](http://www.fwc.gov.au)



## AUSTRALIAN FEDERAL POLICE ASSOCIATION

### DESIGNATED OFFICER'S CERTIFICATE

*s268 Fair Work (Registered Organisations) Act 2009*

I Jon Hunt-Sharman National President of the Australian Federal Police Association Branch of the Police Federation of Australia and Delegate of the Police Federation of Australia certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on the 1<sup>st</sup> November 2012, on the AFPA website and is scheduled to be published in the December 2012 edition of the Auspol Journal which is distributed to all financial members via post; and

that the full report was presented to available National Executive of the Australian Federal Police Association Branch of the reporting unit on the 1<sup>st</sup> November 2012 and to the Federal Council of the Police Federation of Australia on the 12<sup>th</sup> November 2012; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*

**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

15<sup>th</sup> November 2012

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**

**ABN 95 799 543 741**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2012**

**CONTENTS**

Committee of Management Statement	2
Operating Report	3
Independent Audit Report	8
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Cash Flow Statement	13
Notes to the Financial Statements	14
Auditor's Disclaimer	28
Profit and Loss Account	29



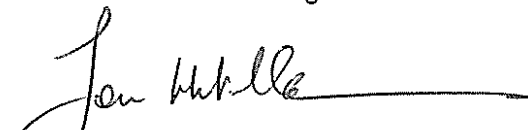
COMMITTEE OF MANAGEMENT STATEMENT

On the 5<sup>th</sup> day of September 2012, the Committee of Management of the Australian Federal Police Association (AFPA) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2012.

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 General Manager, Fair Work Australia;
- (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 Association including the rules of the branch concerned; and
  - (ii) The financial affairs of the reporting unit have been managed in accordance with the rules of the Association including the rules of the branch concerned; and
  - (iii) The financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; 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 Association; and
  - (v) The information sought in any request of a member of the reporting unit or a Registrar duly made under the Fair Work (Registered Organisations) Act 2009 has been furnished to the member of Registrar; and
  - (vi) There has been compliance with any order for inspection of financial records made by Fair Work Australia under Fair Work (Registered Organisations) Act 2009.
- (f) In relation to the recovery of wages activity
  - (i) There was no recovery of wages activity for the Australian Federal Police Association for the year ended 30 June 2012.

For Committee of Management:

  
Jon Hunt-Sharman  
Branch National President

  
Jim Torr  
Chief Executive Officer

Date: 5<sup>th</sup> day of September 2012

**OPERATING REPORT**

This operating report covers the results of those activities that were provided for the financial year ended 30 June 2012.

**PRINCIPAL ACTIVITIES**

The AFPA's principal activities throughout the year were determined by the 2008 and 2011 National Council Meeting and have been coordinated by the National Executive. They included:

- (a) The continued pursuit of commitments given by the Federal Government in the lead up to the 2007 Federal Election. Those issues included:
  - (i) A commitment to increase the sworn officer levels of the AFP;
  - (ii) A commitment to support and fund a National Police Workforce Planning Study;
  - (iii) A commitment to ensure police powers are not extended to non-sworn personnel and are reserved for sworn police;
  - (iv) A commitment to Automatic Number Plate Recognition system for Commonwealth places at risk of terrorism and organised crime;
  - (v) A commitment to support the establishment of a National Police Registration Board and Scheme;
  - (vi) A commitment to a range of industrial issues including any referral of powers to the Commonwealth, phasing out any existing AWA's in the AFP issues around award modernisation, a police tribunal for the AFP and reversing the ComCare journey claims decision of the previous Government;
  - (vii) A commitment to a range of workers compensation issues relating to overseas service; and
  - (viii) A commitment to regular meetings to discuss relevant issues.
- (b) Submissions to Parliamentary Inquiries including:
  - (i) Parliamentary Joint Committee on Law Enforcement;
  - (ii) Senate Standing Committee on Legal and Constitutional Affairs;
  - (iii) Parliamentary Joint Committee on Australian Commission for Law Enforcement Integrity;
  - (iv) Senate Estimates.
- (c) Commitment to Welfare support of our members and their families;
- (d) Commitment to the Lifestyle benefit and services for our members their families;
- (e) A commitment to regular meetings to discuss relevant issues with law enforcement and national security agencies and the relevant Ministers and Shadow Ministers;
- (f) There have been no significant changes in the financial affairs of the AFPA during the last year;

**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 30<sup>th</sup> June 2012.

**MANNER OF RESIGNATION**

A member may resign from membership of the Association by notice in writing addressed and delivered to the National President of the member's Branch, Zone Secretary or Chief Executive Officer, as per PFA Rule 11 (b) and AFPA Rule 62 (a).

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

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

**NUMBER OF MEMBERS AND EMPLOYEES**

Prescribed information as per Regulation 159:

- (i) The number of persons who were, at the end of the reporting period 30 June 2012, members of the AFPA was 3,965.
- (ii) The number of persons who were, at the end of the reporting period 30 June 2012, employees of the AFPA was 18.
- (iii) The Committee of Management period of management was from 01/07/2011 to 30/06/2012.

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH  
ABN 95 799 543 741**

**OPERATING REPORT CONT**

**MEMBERS OF COMMITTEE MANAGEMENT**

The persons who held office as members of the Committee of Management of the Association during the reporting period to 30<sup>th</sup> June 2012 are:

**BRANCH NATIONAL PRESIDENT**

Jonathan Hunt-Sharman Federal Agent E2008/162 (Term expires 8/8/2012)

**BRANCH CHIEF EXECUTIVE OFFICER**

Jim Torr Federal Agent E2008/162 (Term expires 8/8/2012)

**BRANCH VICE PRESIDENTS**

Ben Santamaria	Federal Agent E2011/2535	Vice President – AFP Operations	Term expires 28/04/2013
Dennis Gellatly	Police Officer E2011/2535	Vice President – AFP ACT Operations	Term expires 28/04/2013
Christopher Collingwood	Federal Agent E2011/2535	Vice President – AFP Executive & AFPA Associate Operations	Term expires 28/04/2013
Mark Jager	Federal Agent E2011/2535	Vice President – AFP National Security	Term expires 28/4/2013
Aidan King	PSO E2011/2535	Vice President – AFP Chief Operating Officer	Term expires 28/04/2013
Glen McDonald	Federal Agent E2011/2535	Vice President – AFP Close Operations	Term expires- 28/04/2013

**BRANCH WORKPLACE DELEGATES**

**CORPORATE ZONE**

Gregory Palethorpe Federal Agent – Zone Coordinator (Term expired 31/08/2011)  
Russell Rowell Federal Agent – Workplace Delegate (Term expired 31/08/2011)

**ACT CONTRACT POLICING ZONE**

Angela Smith Police Officer – Zone Coordinator (Term expires 31/08/2013)  
Jane McKenzie Police Officer – Workplace Delegate (Term expires 31/08/2013)  
Donna Gale Police Officer – Workplace Delegate (Term expires 31/08/2013)  
Troy Gordon Police Officer – Workplace Delegate (Term expires 31/08/2013)  
Mark Battye Police Officer – Workplace Delegate (Term expires 31/08/2013)  
Nicholas Clark Police Officer – Workplace Delegate (Term expires 31/08/2013)  
Ken Williams Police Officer – Workplace Delegate (Term expires 31/08/2013)  
Adam Notley Police Officer – Workplace Delegate (Term expires 31/08/2013)

**ACT POLICING ZONE**

Russell Brown Police Officer – E2011/2665 – Zone Coordinator (Elected 14/12/2011)  
Graeme Cooper Police Officer – E2011/2596 – Workplace Delegate (Elected 02/09/2011)  
Troy Gordon Police Officer – E2011/2596 – Workplace Delegate (Elected 02/09/2011)  
Jane MacKenzie Police Officer – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**ABN 95 799 543 741**

**OPERATING REPORT CONT**

**ACT POLICING ZONE (CON'T)**

Timothy Dawe	Police Officer – E2011/2665 – Workplace Delegate (Elected 14/12/2011)
Angela Smith	Police Officer – E2011/2665 – Workplace Delegate (Elected 14/12/2011)
Stephen Coles	Police Officer – E2011/2665 – Workplace Delegate (Elected 14/12/2011)
Steven Harris	Police Officer – E2011/2665 – Workplace Delegate (Elected 14/12/2011)

**FEDERAL INVESTIGATIONS & OFFICE OPERATIONS ZONE**

Ben Santamaria	Federal Agent – Zone Coordinator (Term expired 31/08/2011)
Glenn Todd	Federal Agent – Workplace Delegate NSW (Term expired 31/08/2011)
Mark Kelly	Federal Agent – Workplace Delegate QLD & NT (Term expired 31/08/2011)
Fiona Cleeland	Federal Agent – Workplace Delegate VIC & TAS (Term expired 31/08/2011)
John Whitehead	Federal Agent – Workplace Delegate WA (Term expired 31/08/2011)
Chris Woods	Federal Agent – Workplace Delegate ACT (Term expired 31/08/2011)

**FORENSIC OPERATIONS & CBRN ZONE**

Eric Davies	Non-sworn – Zone Coordinator (Term expired 31/08/2011)
-------------	--

**LEARNING & DEVELOPMENT ZONE**

Adrian Craft	Federal Agent – Zone Coordinator (Term expired 31/08/2011)
--------------	--

**CLOSE PERSONAL PROTECTION ZONE**

Greg Corin	Federal Agent – Zone Coordinator (Term expired 31/08/2011)
------------	--

**SURVEILLANCE & TECHNICAL OPERATIONS ZONE**

Glen McDonald	Federal Agent – Zone Coordinator (Term expired 31/08/2011)
Phil Brown	Federal Agent – Workplace Delegate (Term expired 31/08/2011)

**AVIATION COUNTER TERRORISM FIRST RESPONSE ZONE**

Gary Griffin	PSO – Zone Coordinator (Term expired 31/08/2011)
Alex King	PSO – Workplace Delegate (Term expired 31/08/2011)
Mathew Pirani	PSO – Workplace Delegate (Term expired 31/08/2011)

**AVIATION AIR SECURITY ZONE**

Mal Westhead	PSO – Zone Coordinator (Term Expired 31/08/2011)
--------------	--

**AVIATION ZONE**

Mal Westhead	PSO – E2011/2596 – Zone Coordinator (Elected 02/09/2011)
Brendan Lamb	Police Officer – E2011/2596 – Workplace Delegate (Elected 02/09/2011)
Theo Constantinou	PSO – E2011/2596 – Workplace Delegate (Elected 02/09/2011)
Alex King	PSO – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

**CHIEF FINANCIAL OFFICER ZONE**

Russell Rowell	Police Officer – E2011/2596 – Zone Coordinator (Elected 02/09/2011)
----------------	---

**CHIEF INFORMATION OFFICER ZONE**

Greg Palethorpe	Police Officer – E2011/2596 – Zone Coordinator (Elected 02/09/2011)
-----------------	---

**COUNTER TERRORISM ZONE**

Adrian Smith	Police Officer – E2011/2596 – Zone Coordinator (Elected 02/09/2011)
--------------	---

**CRIME OPERATIONS ZONE**

Ken McDermott	Federal Agent – E2011/2596 – Zone Coordinator (Elected 02/09/2011)
Ian Bridle	Federal Agent – E2011/2596 – Workplace Delegate (Elected 02/09/2011)
Matthew Wilson	Federal Agent – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**ABN 95 799 543 741**

**OPERATING REPORT CONT**

**EXECUTIVE ZONE**

Stephen Richardson                      Federal Agent – E2011/2596 – Zone Coordinator (Elected 02/09/2011)  
Brian McDonald                          Federal Agent– Zone Coordinator (Term expired 31/08/2011)

**FORENSIC & DATA CENTRES ZONE**

Ben Lamont                                Non-sworn – E2011/2596 – Zone Coordinator (Elected 02/09/2011)  
Alex Caruana                              Non-sworn – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

**HIGH TECH CRIME OPERATIONS ZONE**

Phil Brown                                 Federal Agent – E2011/2596 – Zone Coordinator (Elected 02/09/2011)  
Clare Fitzpatrick                         Federal Agent – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

**HUMAN RESOURCES ZONE**

Aiden King                                 PSO – E2011/2535 – AFP Chief Operations Officer Vice President  
    (Term expires 28/04/2013)  
Anthony Maguire                         Police Officer – E2011/2665 – Zone Coordinator (Elected 14/12/2011)  
Simon Davies                               Police Officer – E2011/2665 – Workplace Delegate (Elected 14/12/2011)

**INTELLIGENCE ZONE**

Kenneth Lamb                             Non-sworn – E2011/2596 – Zone Coordinator (Elected 02/09/2011)  
Kenneth Lamb                             Non-sworn – Zone Coordinator (Term expired 31/08/2011)  
Roland Fleischer                         Federal Agent – Workplace Delegate (Term expired 31/08/2011)  
Chris Waters                                Federal Agent – Workplace Delegate (Term expired 31/08/2011)  
Oleg Briouzguine                         PSO – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

**UNIFORM PROTECTION ZONE**

Tony O'Dea                                 PSO – Zone Coordinator (Term expired 31/08/2011)  
Gary Dean                                 PSO – Workplace Delegate (Term expired 31/08/2011)  
Mark Smith                                 PSO – Workplace Delegate (Term expired 31/08/2011)

**INTERNATIONAL DEPLOYMENT GROUP ZONE**

Rick Smeltink                             Federal Agent – E2011/2596 – Zone Coordinator (Elected 02/09/2011)  
Andrew Clarke                            Federal Agent – Workplace Delegate (Term expired 31/08/2011)  
Vince Pannell                             Federal Agent – Workplace Delegate (Term expired 31/08/2011)  
Shane Norman                             PSO – Workplace Delegate (Term expired 31/08/2011)  
Greg Corin                                 Federal Agent – E2011/2596 – Workplace Delegate (Elected 02/09/2011)  
Ben Singleton                             Federal Agent – E2011/2596 – Workplace Delegate (Elected 02/09/2011)  
Brett Wood                                 Federal Agent – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

**OPERATIONS SUPPORT ZONE**

Blaise O'Shaughnessy                 Federal Agent – E2011/2596 – Zone Coordinator (Elected 02/09/2011)  
Shane Norman                             PSO – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

**PROTECTION ZONE**

Sarah McKenzie                         Police Officer – E2011/2596 – Zone Coordinator (Elected 02/09/2011)  
Gary Dean                                 PSO – E2011/2596 – Workplace Delegate (Elected 02/09/2011)  
Tony O'Dea                                 PSO – E2011/2596 – Workplace Delegate (Elected 02/09/2011)  
Mark Smith                                 PSO – E2011/2596 – Workplace Delegate (Elected 02/09/2011)

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH  
ABN 95 799 543 741

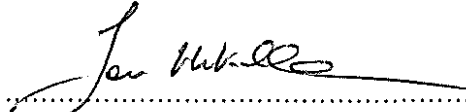
OPERATING REPORT CONT

SERIOUS & ORGANISED CRIME ZONE

Rob Dzaja Police Officer – E2011/2596 – Zone Coordinator (Elected 02/09/2011)

OPERATING RESULT

The result from ordinary activities after providing for income tax amounted to a loss of \$171,772 (2011: profit of \$441,546).

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

24 / 10 / 12

.....  
Dated

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

24 / 10 / 12

.....  
Dated

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**AUSTRALIAN FEDERAL POLICE ASSOCIATION - BRANCH**

We have audited the accompanying general purpose financial report of Australian Federal Police Association - Branch ("the entity"), which comprises the balance sheet as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

*Committee's Responsibility for the General Purpose Financial Report*

The committee is responsible for the preparation and fair presentation of the general purpose financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Fair Work (Registered Organisation) Act 2009*, and for such internal control as the committee determine is necessary to enable the preparation of the general purpose financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the general purpose financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the general purpose financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the general purpose financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the general purpose 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 general purpose 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 the Australian professional accounting bodies.

*Opinion*

In our opinion the general purpose financial report presents fairly, in all material respects, the financial position of the Australian Federal Police Association - Branch as at 30 June 2012 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009*.

**RSM Bird Cameron**  
Chartered Accountants



**G M STENHOUSE FCA**  
Director

Canberra, Australian Capital Territory

Dated: 24 October 2012



**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**ABN 95 799 543 741**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
Revenue	2	3,348,295	3,418,053
Raw materials and consumables used		(19,866)	(18,304)
Consultant fees		(110,902)	(120,693)
Employee benefits expense		(1,288,700)	(1,146,902)
Depreciation and amortisation expenses		(18,331)	(15,409)
Finance costs		(3,037)	(4,460)
Loss on disposal of investments		(65,589)	-
Affiliation fees		(67,473)	(62,777)
Legal assistance for members		(165,658)	(83,795)
Legal fees for association		(190,869)	(6,044)
Life assurance for members		(1,044,578)	(845,818)
Rent – Branch office		(114,312)	(107,132)
Telephone		(15,076)	(18,704)
Travel, subsistence & accommodations		(152,526)	(196,974)
Other expenses		(263,150)	(349,495)
<b>Total expenses</b>	<b>3</b>	<b>3,520,067</b>	<b>2,976,507</b>
<b>Profit/(loss) before income tax</b>		<b>(171,772)</b>	<b>441,546</b>
Income tax expense	1a	-	-
<b>Profit/(loss) attributable to the Association</b>		<b>(171,772)</b>	<b>441,546</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>(171,772)</b>	<b>441,546</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**ABN 95 799 543 741**

**BALANCE SHEET**  
**AS AT 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	2,388,779	2,447,637
Financial assets	6	1,417,405	1,387,290
Receivables	7	13,815	23,361
Loan receivable	8	-	184,372
Inventories	9	10,175	17,290
Other current assets	10	128,425	106,693
<b>TOTAL CURRENT ASSETS</b>		<u>3,958,599</u>	<u>4,166,643</u>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	11	63,941	50,928
<b>TOTAL NON-CURRENT ASSETS</b>		<u>63,941</u>	<u>50,928</u>
<b>TOTAL ASSETS</b>		<u>4,022,540</u>	<u>4,217,571</u>
<b>CURRENT LIABILITIES</b>			
Payables	12	130,741	200,722
Employee provisions	13	171,887	133,892
<b>TOTAL CURRENT LIABILITIES</b>		<u>302,628</u>	<u>334,614</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee provisions	14	34,679	25,952
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>34,679</u>	<u>25,952</u>
<b>TOTAL LIABILITIES</b>		<u>337,307</u>	<u>360,566</u>
<b>NET ASSETS</b>		<u>3,685,233</u>	<u>3,857,005</u>
<b>EQUITY</b>			
Retained earnings		3,857,005	3,415,459
Current earnings		(171,772)	441,546
<b>TOTAL EQUITY</b>		<u>3,685,233</u>	<u>3,857,005</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH  
ABN 95 799 543 741

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2012

	<u>Retained Earnings</u>	<u>Total</u>
	\$	\$
<b>Balance at 1 July 2010</b>	<b>3,415,459</b>	<b>3,415,459</b>
Profit attributable to members	441,546	441,546
<b>Balance at 30 June 2011</b>	<b>3,857,005</b>	<b>3,857,005</b>
Profit attributable to members	(171,772)	(171,772)
<b>Balance at 30 June 2012</b>	<b><u>3,685,233</u></b>	<b><u>3,685,233</u></b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**ABN 95 799 543 741**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members		3,665,247	3,488,327
Receipts from sales of souvenirs		29,018	29,492
Payments to suppliers and employees		(3,855,188)	(3,175,963)
Interest received		131,438	150,843
Other revenue		32,086	73,576
<b>Net cash provided by operating activities</b>	<b>18</b>	<b>2,601</b>	<b>566,275</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		(31,344)	(37,017)
Purchase of investments		(30,115)	(104,764)
<b>Net cash (used in) investing activities</b>		<b>(61,459)</b>	<b>(141,781)</b>
Net (decrease)/increase in cash held		(58,858)	424,494
Cash at beginning of financial year		2,447,637	2,023,143
<b>Cash at end of financial year</b>	<b>5</b>	<b>2,388,779</b>	<b>2,447,637</b>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

**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 *Fair Work (Registered Organisations) Act 2009*.

**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 the *Fair Work (Registered Organisations) Act 2009* 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

**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. Impairment of Assets**

At the end of each reporting period, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**j. 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**  
**ABN 95 799 543 741**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 2: REVENUE**

	Notes	2012 \$	2011 \$
Operating activities			
- members subscriptions		3,155,753	3,147,322
- sale of goods		29,018	29,492
<b>Total operating revenue</b>		<u>3,184,771</u>	<u>3,176,814</u>
Non-operating activities			
- interest received	2a	131,438	150,843
- other income		32,086	90,396
<b>Total other revenue</b>		<u>163,524</u>	<u>241,239</u>
<b>Total Revenue</b>		<u>3,348,295</u>	<u>3,418,053</u>
a. Interest revenue from:			
- Financial institutions		131,438	150,843
<b>Total interest revenue</b>		<u>131,438</u>	<u>150,843</u>

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**ABN 95 799 543 741**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 3: PROFIT FROM ORDINARY ACTIVITIES**

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

	2012	2011
	\$	\$
<b>Expenses:</b>		
Affiliation fees- Police Federation of Australia	67,473	62,777
Cost of sales (souvenirs)	19,866	18,304
Depreciation of plant and equipment	18,331	15,409
<i>Employees benefit to holders of offices</i>		
— Wages and salaries (including non monetary benefits)	335,404	314,653
— Annual leave expense	27,097	20,086
— Long service leave expense	11,588	5,693
— Superannuation	106,408	88,667
<i>Employees benefit to employees (other than holders of offices)</i>		
— Wages and salaries (including non monetary benefits)	716,811	633,197
— Annual leave expense	13,744	(3,598)
— Long service leave expense	(5,707)	15,400
— Superannuation	81,109	77,089
Expenses incurred in connection with meetings and conferences	26,769	74,354
IT and internet expenses	59,151	56,664
Travel fees or allowances paid in respect of attendances at conferences or other meetings	152,526	196,974
Legal assistance for members	165,658	83,795
Legal assistance for association	190,869	6,044
Office insurance	22,282	17,010
Member welfare benefits	1,044,578	845,818
Motor vehicle expenses	67,497	90,812
Loss on disposal of investment	65,589	-
<i>Remuneration of auditor</i>		
— audit services	19,750	15,000
Rental expense on operating leases		
— minimum lease payments	10,334	8,644
Rent expense	114,312	107,132
Other general administration expenses	188,628	226,583
<b>Total expenses</b>	<b>3,520,067</b>	<b>2,976,507</b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION**

	Short-term Benefits			Total \$
	Salary & Fees \$	Post- Employment Benefits \$	Non-Cash Benefits \$	
<b>2012</b>				
Total compensation	335,404	128,680	-	464,084
<b>2011</b>				
Total compensation	314,653	128,415	-	443,068

	2012 \$	2011 \$
<b>NOTE 5: CASH AND CASH EQUIVALENTS</b>		
Cash on hand	250	250
Cash at bank	2,388,529	2,447,387
	<u>2,388,779</u>	<u>2,447,637</u>

**NOTE 6: FINANCIAL ASSETS**

	2012 \$	2011 \$
Term deposits	1,417,405	863,389
Listed equities – at Cost	-	523,901
	<u>1,417,405</u>	<u>1,387,290</u>

The effective interest rate on term deposits was 6.00% (2011: 7.00%); these deposits have an average maturity of 6 months.

**NOTE 7: RECEIVABLES**

	2012 \$	2011 \$
<b>CURRENT</b>		
Trade receivables	31	1,368
Interest receivable	13,784	21,993
	<u>13,815</u>	<u>23,361</u>

**NOTE 8: LOAN RECEIVABLE**

	2012 \$	2011 \$
<b>CURRENT</b>		
Secured loan – Canberra Services Club Ltd	-	184,372
	<u>-</u>	<u>184,372</u>

The above loan represented a loan to Canberra Services Club Limited (CSC). During the prior financial year the CSC property was destroyed due to a fire. In this financial year the Australian Federal Police Association has received all monies due from CSC.

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.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH  
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 9: INVENTORIES	2012	2011
<b>CURRENT</b>	<b>\$</b>	<b>\$</b>
Stock of souvenirs, at cost	10,175	17,290
<hr/>		
<b>NOTE 10: OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	128,425	106,693
	<b>128,425</b>	<b>106,693</b>
<hr/>		
<b>NOTE 11: PROPERTY, PLANT AND EQUIPMENT</b>		
Furniture and fittings at cost	108,725	97,536
Accumulated depreciation	(82,153)	(75,411)
<b>Total furniture and fittings</b>	<b>26,572</b>	<b>22,125</b>
<hr/>		
Computer equipment at cost	21,360	15,275
Accumulated depreciation	(12,311)	(5,305)
<b>Total computer equipment</b>	<b>9,049</b>	<b>9,970</b>
<hr/>		
Motor vehicles at cost	20,544	20,544
Accumulated depreciation	(5,135)	(1,711)
<b>Total motor vehicles</b>	<b>15,409</b>	<b>18,833</b>
<hr/>		
Leasehold improvements at cost	14,070	-
Accumulated Depreciation	(1,159)	-
<b>Total Leasehold improvements</b>	<b>12,911</b>	<b>-</b>
<hr/>		
<b>Total Property, Plant and Equipment</b>	<b>63,941</b>	<b>50,928</b>

**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

	2012	2011
	<b>\$</b>	<b>\$</b>
<i>Furniture and Fittings</i>		
Balance at the beginning of year	22,125	29,319
Additions	11,189	1,199
Depreciation expense	(6,742)	(8,393)
<b>Carrying amount at the end of year</b>	<b>26,572</b>	<b>22,125</b>
<hr/>		
<i>Computer Equipment</i>		
Balance at the beginning of year	9,970	-
Additions	6,085	15,275
Depreciation expense	(7,006)	(5,305)
<b>Carrying amount at end of year</b>	<b>9,049</b>	<b>9,970</b>
<hr/>		
<i>Motor Vehicles</i>		
Balance at the beginning of year	18,833	-
Additions	-	20,544
Depreciation expense	(3,424)	(1,711)
<b>Carrying amount at end of year</b>	<b>15,409</b>	<b>18,833</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 11: PROPERTY, PLANT AND EQUIPMENT (Con't)**

**a. Movements in carrying amounts**

	2012	2011
	\$	\$
<i>Leasehold Improvements</i>		
Balance at the beginning of year	-	-
Additions	14,070	-
Depreciation expense	(1,159)	-
<b>Carrying amount at the end of year</b>	<b>12,911</b>	<b>-</b>

**NOTE 12: PAYABLES  
CURRENT**

Sundry payables and accrued expenses	119,749	172,395
MasterCard account	5,561	5,078
GST payable	1,377	17,241
Superannuation payable at year end	4,054	6,008
	<b>130,741</b>	<b>200,722</b>

**NOTE 13: EMPLOYEE PROVISIONS**

**Current**

Annual leave	124,734	83,894
Long service leave	47,153	49,998
<b>Total current employee provisions</b>	<b>171,887</b>	<b>133,892</b>

**Non-current**

Long Service Leave	34,679	25,952
<b>Total non-current employee provisions</b>	<b>34,679</b>	<b>25,952</b>

**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 14: ECONOMIC DEPENDENCE**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 15: LEASING COMMITMENTS**

**Operating Lease Commitments**

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

	2012	2011
Payable — minimum lease payments	\$	\$
— not later than one year	115,637	91,915
— between one year and five years	262,040	-
	<b>377,677</b>	<b>91,915</b>

The property lease is a non-cancellable lease with a five year term (ending 6<sup>th</sup> May 2012), 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 16: CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

**NOTE 17: EVENTS AFTER THE BALANCE SHEET DATE**

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

	2012	2011
	\$	\$
<b>NOTE 18: CASH FLOW INFORMATION</b>		
<b>a. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax</b>		
(Loss)/Profit after income tax	(171,722)	441,546
Non-cash flows in profit		
Depreciation	18,331	13,698
Changes in assets and liabilities:		
(Increase)/decrease in receivables	181,249	56,575
(Increase)/decrease in inventories	7,115	(892)
(Decrease)/Increase in payables	(38,254)	34,255
Increase in provisions	5,882	21,093
	<b>2,601</b>	<b>566,275</b>

**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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012

**NOTE 19: RELATED PARTY TRANSACTIONS**

a. Mr Vincent Pannell was elected as a Delegate of The National Council of AFPA on 11 December 2007. Mr Vincent Pannell also acted as president of the Canberra Services Club (CSC), resigning his position on the 16 November 2009.

The transaction between CSC and AFPA was a long term loan of \$150,000 which was granted in July 2004 and extended to \$254,800 in March 2010.

The terms of the loan were on normal commercial terms and conditions no more favourable than those available to other parties. The loan attracted 7% interest and after interest and repayments, the balance owing at 30 June 2012 was nil.

On 28 April 2011 a fire destroyed the CSC property. Therefore in the prior year's financial statements, AFPA recognised the full loan outstanding as a current receivable. In this financial year the loan was fully repaid.

	2012	2011
Loan repayments from CSC (including interest)	(192,373)	12,168
Annual CSC membership fees paid by AFPA	(15,000)	(15,000)

**NOTE 20: SEGMENT REPORTING**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 21: 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.

**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 management's 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		Non-interest Bearing	
	2012	2011	2012	2011	2012	2011	2012	2011
	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>								
Cash and cash equivalents	0.23	0.25	2,388,779	2,447,637	-	-	-	-
Term deposits	2.40	2.50	-	-1,417,405	863,389	-	-	-
Loans	-	7.00	-	-	184,372	-	-	-
Receivables	-	-	-	-	-	-	13,815	23,361
Short term investments	-	2.50	-	523,901	-	-	-	-
<b>Total Financial Assets:</b>			<b>2,388,779</b>	<b>2,971,538</b>	<b>1,417,405</b>	<b>1,047,761</b>	<b>13,815</b>	<b>23,361</b>
Trade and sundry payables	-	-	5,561	5,078	-	-	125,180	195,644
<b>Total Financial payables</b>			<b>5,561</b>	<b>5,078</b>	<b>-</b>	<b>-</b>	<b>125,180</b>	<b>195,644</b>

Trade and sundry payables are expected to be paid as follows

	2012	2011
	\$	\$
Less than 3 months	130,741	200,722
	<b>130,741</b>	<b>200,722</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 21: FINANCIAL INSTRUMENTS (CONTINUED)**

**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.

**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 2012, 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:

	2012	2011
	\$	\$
Change in profit		
- Increase in interest rate by 1%	23,885	24,476
- Decrease in interest rate by 1%	(23,885)	(24,476)
Change in equity		
- Increase in interest rate by 1%	(23,885)	(24,476)
- Decrease in interest rate by 1%	23,885	24,476

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 22: 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 23: INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER, FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions outlined below:

- (1) A member of a reporting unit, or the General Manager, Fair Work Australia, 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)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 24: 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 9	Financial Instruments	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	01-Jan-13	Minimal impact
2009-11	Amendments to Australian Accounting Standards arising from AASB 9	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	01-Jan-13	Minimal impact
2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	01-Jan-13	Minimal impact
2011-7	Amendments to Australian Accounting Standards arising from AASB 10,11,12,127,128	Amends AASB 1,2,3,5,7,9,2009-11,101,107,112,118,121,124,132, 133,136,138,139,1023 & 1038 and Interpretations 5,9,16 & 17 as a result of the issuance of AASB 10, 11, 12, 127 and 128	01-Jan-13	Minimal impact
AASB 13	Fair Value Measurement	Provides a clear definition of fair value, a framework for measuring fair value and requires enhanced disclosures about fair value measurement.	01-Jan-13	Minimal impact
2011-8	Amendments to Australian Accounting Standards arising from AASB 13	Amends AASB 1, 2, 3, 4, 5, 7, 9, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132 as a result of issuance of AASB 13 Fair Value Measurement.	01-Jan-13	Minimal impact



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
2012-1	Amendments to Australian Accounting Standards – Fair Value Measurement – Reduced Disclosure Requirements	This Standard makes amendments to AASB 3, 7, 13, 140 and 141 to establish reduced disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13.	01-Jul-13	Minimal impact
AASB 119	Employee Benefits	Prescribes the accounting and disclosure for employee benefits. This Standard prescribes the recognition criteria when in exchange for employee benefits.	01-Jan-13	Minimal impact
2011-10	Amendments to Australian Accounting Standards arising from AASB 119	Amends AASB 1, 8, 101, 124, 134, 1049, 2011-8 & Interpretation 14 as a result of the issuance of AASB 119 Employee Benefits.	01-Jan-13	Minimal impact
2011-11	Amendments to AASB 119 arising from Reduced Disclosure Requirements	This Standard makes amendments to AASB 119 Employee Benefits, to incorporate reduced disclosure requirements into the Standard for entities applying Tier 2 requirements in preparing general purpose financial statements.	01-Jul-13	Minimal impact
AASB 1053	Application of Tiers of Australian Accounting Standards	This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements.	01-Jul-13	Minimal impact
2010-2	Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements and amends AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052.	01-Jul-13	Minimal impact

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH**  
**ABN 95 799 543 741**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

<b>Reference</b>	<b>Title</b>	<b>Summary</b>	<b>Application date (financial years beginning)</b>	<b>Expected Impact</b>
2011-4	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	This Standard makes amendments to Australian Accounting Standard AASB 124 Related Party Disclosures.	01-Jul-13	Disclosure only
2011-9	Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income	Amends AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049 as a consequence of the issuance of AASB 101 Presentation of Items of Other Comprehensive Income.	01-Jul-12	Minimal impact

**RSM Bird Cameron**

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

**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 2012. 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.

**RSM Bird Cameron**  
Chartered Accountants



**G M STENHOUSE FCA**  
Director

Canberra, Australian Capital Territory  
Dated: 24 October 2012

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$	2011 \$
<b>REVENUE</b>		
Operating activities		
Members subscriptions	3,155,754	3,147,322
Sales	29,018	29,492
Interest	131,437	150,843
Other income	32,086	90,396
	<u>3,348,295</u>	<u>3,418,053</u>
<b>EXPENDITURE</b>		
Affiliation fees	67,474	62,777
Annual leave provision	40,841	16,488
Audit	19,750	15,000
Agreements/Campaigns	12,125	26,192
Bank charges	3,037	4,460
Contract Work	51,751	64,029
Depreciation	18,331	15,409
Loss on disposal of investment	65,589	-
Electricity	4,865	5,249
Freight & postage	7,592	2,749
Fringe benefit tax	7,756	12,238
Insurance	22,282	17,010
Internet and web expenses	59,150	56,664
Legal fees	190,869	6,044
Legal assistance for members	165,658	83,795
Life assurance for members	1,044,578	845,819
Long service leave provision	5,882	21,094
Meeting expenses	26,769	74,354
Membership fees	33,188	44,291
Motor vehicle expenses	67,497	90,813
Office expenses	20,483	11,439
Printing & stationery	20,326	23,103
Rent – branch office	114,312	107,132
Rental expense on operating leases - equipment	10,334	8,644
Salaries & wages	1,052,216	947,850
Staff amenities	2,662	819
Shrinkage	2,454	1,937
Staff training	7,310	11,369
Stock purchases	19,866	18,304
Superannuation	187,517	165,757
Telephone	15,076	18,704
Travel, subsistence & accommodations	152,527	196,974
	<u>3,520,067</u>	<u>2,976,507</u>
Profit from ordinary activities before income tax	(171,772)	441,546
Income tax expense		-
Profit from ordinary activities after income tax	(171,772)	441,546
<b>RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	<b>3,857,005</b>	<b>3,415,459</b>
Transfer to Reserve	-	-
<b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>	<b><u>3,685,233</u></b>	<b><u>3,857,005</u></b>

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



24<sup>th</sup> October, 2012.

RSM Bird Cameron  
Level 1, 103-105 Northbourne Avenue Canberra ACT 2601  
GPO Box 200 Canberra ACT 2601

Dear Ged,

This representation letter is provided in connection with your audit of the financial report of Australian Federal Police Association for the year ended 30 June 2012, for the purpose of expressing an opinion as to whether the financial report is presented fairly, in all material respects, in accordance with the Australian Accounting Standards the accounting policies described in Note 1 to the financial statements.

We confirm that to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

*Financial Report*

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 23 May 2012, for the preparation of the financial report in accordance with Australian Accounting Standards and the accounting policies described in Note 1 to the financial statements; in particular the financial report is fairly presented in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
- All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- There are no uncorrected misstatements in the financial report.

*Information Provided*

- We have provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial report.

- We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial report.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- We have provided you with all requested information, explanations and assistance for the purposes of the audit.

Yours faithfully



21/10/12

James Peter Torr  
Chief Executive Officer