



FairWork
Commission

2 December 2015

Mr Dennis Gellatly
Chief Executive Officer
Police Federation of Australia, Australian Federal Police Association Branch
23 Murray Crescent
GRIFFITH ACT 2603

via email: Dennis.Gellatly@afpa.org.au

Dear Mr Gellatly

Police Federation of Australia, Australian Federal Police Association Branch Financial Report for the year ended 30 June 2014 – [FR2014/79]

I acknowledge receipt of the financial report of the Police Federation of Australia, Australian Federal Police Association Branch [the branch]. The documents were lodged with the Fair Work Commission (FWC) on 20 November 2014. I also acknowledge supplementary information provided by you on 12 May 2015 confirming the date of the Committee of Management resolution in relation to the financial statements and other timing issues. I also acknowledge supplementary information from your Auditor, Ged Stenhouse, on 1 December 2015 in relation to management's use of the going concern basis of accounting and the requirement for membership subscriptions to be reported on an accrual basis.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

I make the following 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. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the FWC website. In particular, I draw your attention to Financial reporting process and timelines which explains the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Documents must be lodged with the FWC within 14 days of General Meeting

Section 268 of the RO Act, states that the full report and the Designated Officer's Certificate are required to be lodged with the FWC within 14 days of the meeting of the Committee of Management. The Designated Officer's Certificate indicates that this meeting occurred on 30 October 2014. If this is correct the full report should have been lodged with the FWC by 14 November 2014.

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: orgs@fwc.gov.au

The full report was lodged on 20 November 2014.

If these dates are correct, the branch should have applied for an extension of time to lodge the required reports and the Designated Officer's Certificate in accordance with section 268 of the RO Act.

Please note that in future financial years if the branch cannot lodge on time, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made prior to the required date of lodgement.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss this matter raised in this letter, or if you require further information on the financial reporting requirements of the Act, I can be contacted on 03) 8656 4681 or by email to joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



RSM Australia Pty Ltd

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 2000 Canberra ACT 2601

T +61(0) 2 6217 0300
F +61(0) 2 6217 0401

www.rsm.com.au

GS:JJ:72092

1 December 2015

To: Regulatory Compliance Branch
C/- Mark Elliott
Fair Work Commission
PO Box 1994
MELBOURNE VICTORIA 3001

Dear Mark,

In response to queries from the Fair Work Commission, and as discussed between you and Jennifer Jesurajah from RSM today, we confirm the following matters pursuant to the financial report of Australian Federal Police Association – Branch for the financial year ended 30 June 2014.

- 1) Pursuant to the independent auditor's report dated 31 October 2014 in relation to the financial statements of Australian Federal Police Association – Branch, we declare that management's use of the going concern basis of accounting in the preparation of the company's financial statements was appropriate.

This declaration was not included in the independent auditor's report however we confirm that the going basis of accounting for the preparation of Australian Federal Police Association – Branch's statements was appropriate as at the date of signing the auditor's report for the year ended 30 June 2014.

- 2) Accrued membership subscription revenue for the financial year ended 30 June 2014 was \$110,109 (recognised in 2015) and accrued membership subscription revenue for the financial year ended 30 June 2013 was \$88,834 (recognised in 2014). The unadjusted accrued revenue for the year ended 30 June 2014 was therefore \$21,275. This was not included in the financial report on the basis of materiality, however we understand that you require it to be included in the future.

We will ensure that the above matters will be corrected for the independent auditor's report and financial report for the financial year ended 30 June 2015.

Yours sincerely

GED STENHOUSE
Director

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 at f Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

From: LEE, Rebecca
Sent: Tuesday, 3 February 2015 3:31 PM
To: 'afpa.office@afpa.org.au'
Cc: 'Dennis.Gellatly@afpa.org.au'
Subject: Financial Report of the Police Federation of Australia-Australian Federal Police Association Branch for the year ended 30 June 2014 [FR2014/79]

Good afternoon,

I recently contacted the Branch seeking further information regarding the Branch's financial report for the year ended 30 June 2014. To assist the Branch in providing additional information to enable to report to be filed, the issues required to be addressed are set out below.

Date of Committee of Management resolution

The Committee of Management Statement was signed on 5 September 2014. It states that the National Executive passed a resolution in relation to the financial statements on 30 June 2014. If this date is correct, this suggests that the statements were prepared before the end of the financial year to which they relate. Please confirm whether the resolution was in fact made on 30 June 2014, or if this is an error and the resolution was made on a later date.

Date on which the full report was presented to a meeting of the Committee of Management of the Branch

The full report must be presented to either a general meeting of members or a meeting of the Committee of Management of the reporting unit - in this case, the Committee of Management of the Branch (see section 266 of the Fair Work (Registered Organisations) Act 2009). The report must be lodged within 14 days of this meeting (see section 268).

The Designated Officer's Certificate states that the full report was presented to the National Executive of the reporting unit on 30 October 2014 and to the Federal Executive of the reporting unit on 10 November 2014. From an examination of the Federation's rules, it appears that the National Executive is the Committee of Management of the Branch, whilst the Federal Executive is the Executive of the Police Federation of Australia - the national body. As such, it appears that the earlier meeting held on 30 October is the relevant meeting for the purposes of section 266.

The report was lodged on 20 November 2014, more than 14 days after the earlier meeting. Therefore it appears that the report was not lodged within 14 days of the meeting held pursuant to section 266. In future, please note that the financial report should be lodged within 14 days of the relevant meeting.

If the Branch does not believe that the earlier meeting is the relevant meeting for the purposes of section 266, please advise accordingly.

Non compliance with previous requests

While the report for the year ended 30 June 2013 was filed, we raised certain issues for the reporting unit to address in the preparation of future financial reports (see attached letter). I note that not all these issues have been addressed. The report cannot be filed until the following supplementary information has been received:

* Item 39 of the Reporting Guidelines requires that the auditor's statement include a declaration that as part of the audit of the financial statements they have concluded that management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. This declaration was not included in the auditor's statement. Please provide a supplementary declaration by your auditor in accordance with Reporting Guideline 39.

* As advised in the attached letter, revenue from membership subscriptions is required to be disclosed using the accrual basis of accounting. Note 1j states that “Member subscriptions...are recognised as revenue when received”. This suggests that membership subscriptions have been disclosed using the cash basis of accounting. To enable the report to be filed, please provide a figure for membership subscription revenue brought to account on an accruals basis for the year ended 30 June 2014.

Please don't hesitate to contact me if you would like to discuss the issues raised in this email or if you require further information about what is required before the financial report can be filed. I am out of the office on Wednesdays but will return on Thursday.

Kind regards,

REBECCA LEE
Regulatory Compliance Branch

Fair Work Commission
Tel: 03 8661 7942
Fax: 03 9655 0410
rebecca.lee@fwc.gov.au

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

www.fwc.gov.au



Australian Federal Police Association

Helping members

PR: DG

Ref: PFA Rules

The General Manager
Fair Work Commission
Tribunal Services and Organisations Branch
GPO Box 1994
Melbourne VIC 3001

AUSTRALIAN FEDERAL POLICE ASSOCIATION - BRANCH

s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30 June 2014

I Dennis Gellatly, Chief Executive Officer, being the prescribed designated officer of the Australian Federal Police Association Branch of the Police Federation of Australia certify:

- that the documents lodged herewith are copies of the full report for the Australian Federal Police Association Branch of the Police Federation of Australia for the period ended 30 June 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 20 November 2014 by notifying members that the report has been published on the Australian Police Association website and is scheduled to be published in the January edition of the Auspol Police Journal; and
- that the full report was presented to the National Executive of the reporting unit on 30 October 2014 and to the Federal Executive of the reporting unit on 10 November 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

A handwritten signature in black ink, appearing to read 'Dennis Gellatly', written over a circular stamp or seal.

Dennis Gellatly
Chief Executive Officer
Australia Federal Police Association
Branch of Police Federation of Australia

Date 20 November 2014

Welfare. Employment. Profession. Lifestyle.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH

ABN 95 799 543 741

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

CONTENTS

Committee of Management Statement	2
Operating Report	3
Independent Audit Report	9
Statement of Comprehensive Income	11
Balance Sheet	12
Statement of Changes in Equity	13
Cash Flow Statement	14
Notes to the Financial Statements	15
Auditor's Disclaimer	33
Profit and Loss Account	34

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

On the 30 June 2014 the *members of the* National Executive of the Australian Federal Police Association Branch of the Police Federation of Australia passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2014:

The National Executive declares 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;
- (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; and
- (e) during the financial year to which the GPRF 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) where the reporting unit has not derived revenue from undertaking recovery of wages activity, include the statement 'no revenue has been derived from undertaking recovery of wages activity during the reporting period' or

This declaration is made in accordance with a resolution of the Committee of Management.


.....
Dennis Gellaly

Chief Executive Officer

Date: 5th September 2014


.....
Jon Hunt-Sharman

National Branch President

Date: 5th September 2014

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

OPERATING REPORT

The committee presents its report on the reporting unit for the financial year ended 30 June 2014.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year in accordance to s254(2)(a):

The principal activities of the Branch during the reporting period were to promote and enhance the interests of our members and their profession; promote the interests and effective delivery of the Federal and ACT law enforcement; protect our members from any malicious, capricious or malevolent behaviour directed against them within the context of their professional role and provide professional services.

The Branch's principal activities results in maintaining and improving our members' professional interests, protection and services.

Significant Changes in Principle Activities

No significant change in the nature of the Association's principle activities occurred during the year.

Significant changes in financial affairs in accordance to s.254(2)(b):

There were no significant changes in the nature of the Branch's financial affairs during the reporting period.

Right of members to resign in accordance to s.254(2)(c):

Members may resign from the Branch in accordance to Rule11 and Rule 62.

Officers & employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee in accordance to s.254(2)(d):

No officers or employees of the Branch held positions of trustee or director of a company that is a superannuation fund trustee.

Number of members in accordance to regulation 159(a) and s.254(2)(f):

The number of persons who, at the end of the reporting period, were recorded on the Register of Members of the Branch was 4210.

Number of employees in accordance to regulation 159(a) and s.254(2)(f):

The number of persons who were, measured on a full time equivalent basis at the end of the reporting period, employees of the Branch was 12.

Names of Committee of Management members and period positions held during the financial year

The persons who held office as members of the Committee of Management of the Branch during the reporting period are:

Jonathan Hunt-Sharman	President	1 July 2013 to 30 June 2014
Dennis Gellatly	Chief Executive Officer	1 July 2013 to 30 June 2014
Ian Bridle	Vice President – AFP Operations Portfolio	1 July 2013 to 30 June 2014
Angela Smith	Vice President – AFP ACT Operations Portfolio	1 July 2013 to 30 June 2014
Christopher Collingwood	Vice President – AFP Executive & AFPA Associate Portfolio	1 July 2013 to 4 July 2013
Constantine Coutsolitis	Vice President – AFP Executive & AFPA Associate Portfolio	4 July 2013 to 30 June 2014

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

OPERATING REPORT CONT

Names of Committee of Management members and period positions held during the financial year (Cont)

Mark Jager	Vice President – AFP National Security Portfolio	1 July 2013 to 30 June 2014
Aidan King	Vice President – AFP Chief Operating Officer Portfolio	1 July 2013 to 30 June 2014
Glen McDonald	Vice President – AFP Close Operations Portfolio	1 July 2013 to 30 June 2014
Graeme Cooper	Zone Coordinator – ACT Policing Zone	1 July 2013 to 30 June 2014
Stephen Booth	Workplace Delegate – ACT Policing Zone	3 Sept 2013 to 30 June 2014
David Fleming	Workplace Delegate – ACT Policing Zone	1 July 2013 to 30 June 2014
Troy Gordon	Workplace Delegate – ACT Policing Zone	1 July 2013 to 30 June 2014
Steven Harris	Workplace Delegate – ACT Policing Zone	1 July 2013 to 30 June 2014
Julian Laycock	Workplace Delegate – ACT Policing Zone	3 Sept 2013 to 30 June 2014
Jane Mackenzie	Workplace Delegate – ACT Policing Zone	1 July 2013 to 30 June 2014
Susan Smith	Workplace Delegate – ACT Policing Zone	3 Sept 2013 to 30 June 2014
Stephen Coles	Workplace Delegate – ACT Policing Zone	1 July 2013 to 3 Sept 2013
Jason Taylor	Workplace Delegate – ACT Policing Zone	3 Sept 2013 to 30 June 2014
Mal Westhead	Zone Coordinator – Aviation Zone	1 July 2013 to 3 Sept 2013
Andrew Clark	Zone Coordinator – Aviation Zone	3 Sept 2013 to 30 June 2014
Theo Constantinou	Workplace Delegate – Aviation Zone	1 July 2013 to 30 June 2014

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

OPERATING REPORT CONT

Names of Committee of Management members and period positions held during the financial year (Cont)

Alex King	Workplace Delegate – Aviation Zone	1 July 2013 to 3 Sept 2013
Adrian Craft	Workplace Delegate – Aviation Zone	3 Sept 2013 to 30 June 2014
Brendan Lamb	Workplace Delegate – Aviation Zone	1 July 2013 to 3 Sept 2013
Adrian Smith	Workplace Delegate – Aviation Zone	3 Sept 2013 to 30 June 2014
Russell Rowell	Zone Coordinator – Chief Financial Officer Zone	1 July 2013 to 30 June 2014
Gregory Palethorpe	Zone Coordinator – Chief Information Officer Zone	1 July 2013 to 5 August 2013
Daniel Smith	Zone Coordinator – Chief Information Officer Zone	5 Aug 2013 to 30 June 2014
Adrian Smith	Zone Coordinator – Counter Terrorism Zone	1 July 2013 to 5 August 2013
Gregory Palethorpe	Zone Coordinator – Counter Terrorism Zone	5 Aug 2013 to 30 June 2014
Ken McDermott	Zone Coordinator – Crime Operations Zone	1 July 2013 to 3 Sept 2013
Clare Fitzpatrick	Zone Coordinator – Crime Operations Zone	3 Sept 2013 to 30 June 2014
Matthew Wilson	Workplace Delegate – Crime Operations Zone	1 July 2013 to 30 June 2014
Timothy Dawe	Workplace Delegate – Crime Operations Zone	1 July 2013 to 30 June 2014
Ian Bridle	Workplace Delegate – Crime Operations Zone	1 July 2013 to 3 Sept 2013
Ken McDermott	Workplace Delegate – Crime Operations Zone	3 Sept 2013 to 30 June 2014

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

OPERATING REPORT CONT

Names of Committee of Management members and period positions held during the financial year (Cont)

Constantine Coutsolitis	Zone Coordinator – Executive Zone	1 July 2013 to 4 July 2013
Ben Lamont	Zone Coordinator – Forensic & Data Centres Zone	3 Sept 2013 to 30 June 2014
Alex Caruana	Zone Coordinator – Forensic & Data Centres Zone	1 July 2013 to 30 June 2014
Phil Brown	Zone Coordinator – High Tech Crime Operations Zone	1 July 2013 to 5 August 2013
Scott Henderson	Zone Coordinator – High Tech Crime Operations Zone	5 Aug 2013 to 30 June 2014
Clare Fitzpatrick	Workplace Delegate – High Tech Crime Operations Zone	1 July 2013 to 5 August 2013
Dianne Edger	Workplace Delegate – High Tech Crime Operations Zone	5 Aug 2013 to 25 March 2013
Christopher Collingwood	Workplace Delegate – High Tech Crime Operations Zone	30 June 2014 to 30 June 2014
Anthony Maguire	Zone Coordinator – Human Resources Zone	1 July 2013 to 5 August 2013
Rob Gilder	Zone Coordinator – Human Resources Zone	5 Aug 2013 to 30 June 2014
Erika Singleton	Workplace Delegate – Human Resources Zone	5 Aug 2013 to 30 June 2014
Kenneth Lamb	Zone Coordinator – Intelligence Zone	1 July 2013 to 30 June 2014
Dean Habilay	Workplace Delegate – Intelligence Zone	5 Aug 2013 to 30 June 2014
Adam Stephens	Workplace Delegate – Intelligence Zone	5 Aug 2013 to 30 June 2014
Richard Smeltink	Zone Coordinator – International Deployment Group Zone	1 July 2013 to 30 June 2014
Gregory Corin	Workplace Delegate – International Deployment Group Zone	1 July 2013 to 30 June 2014
Ben Singleton	Workplace Delegate – International Deployment Group Zone	1 July 2013 to 30 June 2014

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

OPERATING REPORT CONT

Names of Committee of Management members and period positions held during the financial year (Cont)

Mark Tucker	Workplace Delegate – International Deployment Group Zone	5 Aug 2013 to 30 June 2014
Blaise O'Shaughnessy	Zone Coordinator – Operations Support Zone	1 July 2013 to 30 June 2014
Shane Norman	Workplace Delegate – Operations Support Zone	1 July 2013 to 30 June 2014
James Ordish	Zone Coordinator – Policy & Governance Zone	30 June 2014 to 30 June 2014
Sarah McKenzie	Zone Coordinator – Protection Zone	1 July 2013 to 3 Sept 2013
Tony O'Dea	Zone Coordinator – Protection Zone	3 Sept 2013 to 30 June 2014
Gary Dean	Workplace Delegate – Protection Zone	1 July 2013 to 3 Sept 2013
Sean Molloy	Workplace Delegate – Protection Zone	5 Aug 2013 to 30 June 2014
Tony O'Dea	Workplace Delegate – Protection Zone	1 July 2013 to 3 Sept 2013
Vincent Pannell	Workplace Delegate – Protection Zone	5 Aug 2013 to 30 June 2014
Peter Saultry	Workplace Delegate – Protection Zone	30 June 2014 to 30 June 2014
Rod Dzaja	Zone Coordinator – Serious & Organised Crime Zone	1 July 2013 to 3 Sept 2013
Damian Knight	Zone Coordinator – Serious & Organised Crime Zone	3 Sept 2013 to 30 June 2014
David Saliba	Workplace Delegate – Serious & Organised Crime Zone	3 Sept 2013 to 30 June 2014

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

OPERATING REPORT CONT

OPERATING RESULT

The result from ordinary activities after providing for income tax amounted to a loss of \$283,675 (2013: profit of \$330,422).


.....
Dennis Gellatly (Chief Executive Officer)

31st October 2014
.....
Dated


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

31st October 2014
.....
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 2014, 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 Organisations) 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 2014 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: 31 October 2014

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue	2	3,673,651	3,420,929
Raw materials and consumables used		(13,064)	(15,102)
Consultant and IT fees		(142,000)	(144,052)
Employee benefits expense		(1,334,138)	(1,092,706)
Depreciation and amortisation expenses		(67,215)	(19,155)
Finance costs		(2,141)	(3,120)
Affiliation fees		(117,684)	(97,514)
Legal assistance for members		(331,463)	(9,809)
Legal fees for association		(3,792)	(12,428)
Life assurance for members		(1,253,869)	(1,123,020)
Rent – Branch office		(117,532)	(114,807)
Telephone		(20,679)	(13,946)
Travel, subsistence & accommodations		(77,444)	(107,840)
Other expenses		(476,305)	(337,008)
Total expenses	3	(3,957,326)	(3,090,507)
Profit/(loss) before income tax		(283,675)	330,422
Income tax expense	1a	-	-
Profit/(loss) attributable to the Association		(283,675)	330,422
Other comprehensive income		-	-
Total comprehensive income for the year		(283,675)	330,422

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 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,824,552	2,633,269
Financial assets	6	969,546	1,585,823
Receivables	7	4,335	15,832
Inventories	8	10,125	12,932
Other current assets	9	134,680	130,356
TOTAL CURRENT ASSETS		3,943,238	4,378,212
NON-CURRENT ASSETS			
Plant and equipment	10	144,272	48,913
Intangible assets	11	202,714	-
Other non-current assets	9	4,535	-
TOTAL NON-CURRENT ASSETS		351,521	48,913
TOTAL ASSETS		4,294,759	4,427,125
CURRENT LIABILITIES			
Payables	12	322,900	215,492
Employee provisions	13	231,000	180,740
TOTAL CURRENT LIABILITIES		553,900	396,232
NON-CURRENT LIABILITIES			
Employee provisions	13	8,879	15,238
TOTAL NON-CURRENT LIABILITIES		8,879	15,238
TOTAL LIABILITIES		562,779	411,470
NET ASSETS		3,731,980	4,015,655
EQUITY			
Retained earnings		4,015,655	3,685,233
Current earnings		(283,675)	330,422
TOTAL EQUITY		3,731,980	4,015,655

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 2014**

	Retained Earnings	Total
	<u>\$</u>	<u>\$</u>
Balance at 1 July 2012	3,685,233	3,685,233
Profit attributable to members	330,422	330,422
Balance at 30 June 2013	4,015,655	4,015,655
Profit attributable to members	(283,675)	(283,675)
Balance at 30 June 2014	3,731,980	3,731,980

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 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		3,851,729	3,564,870
Receipts from sales of souvenirs		16,620	24,229
Payments to suppliers and employees		(4,105,670)	(3,314,114)
Interest received		124,164	130,441
Other revenue		41,748	23,885
Net cash provided by operating activities	18	(71,409)	429,311
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(353,585)	(26,403)
Transfer of term deposits		616,277	-
Purchase of investments		-	(168,418)
Proceeds from disposal		-	10,000
Net cash (used in) investing activities		262,692	(184,821)
Net (decrease)/increase in cash held		191,283	244,490
Cash at beginning of financial year		2,633,269	2,388,779
Cash at end of financial year	5	2,824,552	2,633,269

The accompanying notes form part of these financial statements.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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*.

Australian Federal Police Association – Branch is a not-for-profit entity.

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. Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

d. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

e. 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.

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.

f. 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.

g. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The association does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Classification and subsequent measurement (Con't)

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) *Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

(v) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Impairment (Con't)

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts 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 amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

h. 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.

i. 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.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

j. 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).

k. 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.

l. 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.

m. 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 2014

NOTE 2: REVENUE

	Notes	2014 \$	2013 \$
Operating activities			
- members subscriptions		3,491,120	3,242,374
- sale of goods		16,620	24,229
Total operating revenue		3,507,740	3,266,603
Non-operating activities			
- interest received	2a	124,163	130,441
- other income		41,748	23,885
Total other revenue		165,911	154,326
Total Revenue		3,673,651	3,420,929
a. Interest revenue from:			
- Financial institutions		124,164	130,441
Total interest revenue		124,164	130,441

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

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

	2014	2013
	\$	\$
Expenses:		
Advertising and marketing	21,103	53,051
Affiliation fees paid to Police Federation of Australia	66,042	65,300
Affiliation fees- other	51,642	32,214
Cost of sales (souvenirs)	13,064	15,102
Depreciation and amortisation	67,215	19,155
<i>Employees benefit to holders of offices</i>		
— Wages and salaries (including non-monetary benefits)	354,263	364,290
— Annual leave expense	13,242	8,622
— Long service leave expense	(1,744)	(12,657)
— Superannuation	71,099	84,178
— Separation and redundancies	-	-
— Other employee expenses	-	3,432
<i>Employees benefit to employees (other than holders of offices)</i>		
— Wages and salaries (including non-monetary benefits)	795,427	585,446
— Annual leave expense	32,992	(14,316)
— Long service leave expense	(591)	7,763
— Superannuation	75,549	65,479
— Separation and redundancies	-	-
— Other employee expenses	-	468
Expenses incurred in connection with meetings and conferences	36,189	46,071
IT and internet expenses	43,426	106,802
Travel fees or allowances paid in respect of attendances at conferences or other meetings	77,444	107,840
Legal and other costs related to litigation for members	259,489	14,050
Other legal costs incurred for members	71,974	(4,241)
Legal and other costs related to litigation for the association	152	-
Other legal costs incurred for the association	3,640	12,428
Office insurance	27,584	21,213
Member welfare benefits	1,253,869	1,123,020
Motor vehicle expenses	86,651	85,064
Accounting advice	4,430	-
Audit services		
— Audit services	23,810	17,225
— Taxation services	1,800	-
— Financial reporting services	-	3,500
Total audit remuneration	25,810	20,725
Rental expense on operating leases		
— minimum lease payments	6,760	6,760
Rent expense	117,532	114,807
Other general administration expenses	383,273	158,441
Total expenses	3,957,326	3,090,507

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

	Salary & Fees \$	Short-term Benefits Post- Employment Benefits \$	Non-Cash Benefits \$	Total \$
2014				
Total compensation	354,263	71,099	-	425,362
2013				
Total compensation	372,913	101,553	-	474,466

	2014 \$	2013 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash on hand	250	250
Cash at bank	2,824,302	2,633,019
	2,824,552	2,633,269

NOTE 6: FINANCIAL ASSETS

	2014 \$	2013 \$
Term deposits	969,546	1,585,823
	969,546	1,585,823

The effective interest rate on term deposits was 3.52% (2013: 5.76%); these deposits have an average maturity of 6 months.

NOTE 7: RECEIVABLES

	2014 \$	2013 \$
CURRENT		
Trade receivables	-	3,040
Interest receivable	4,335	12,792
	4,335	15,832

NOTE 8: INVENTORIES

CURRENT

	2014 \$	2013 \$
Stock of souvenirs, at cost	10,125	12,932
	10,125	12,932

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 9: OTHER ASSETS	2014	2013
CURRENT	\$	\$
Prepayments	134,680	130,356
NON-CURRENT		
Prepayments	4,535	-
	<u>139,215</u>	<u>130,356</u>
NOTE 10: PROPERTY, PLANT AND EQUIPMENT		
Furniture & fittings and office equipment at cost	47,912	68,009
Accumulated depreciation	(28,342)	(47,853)
Total furniture and fittings	<u>19,570</u>	<u>20,156</u>
Leasehold improvements at cost	34,570	34,570
Accumulated Depreciation	(15,312)	(6,340)
Total Leasehold improvements	<u>19,258</u>	<u>28,230</u>
Computer equipment at cost	36,646	5,912
Accumulated depreciation	(9,952)	(5,385)
Total computer equipment	<u>26,694</u>	<u>527</u>
Buildings at cost	78,750	-
Total buildings	<u>78,750</u>	<u>-</u>
Total Property, Plant and Equipment	<u>144,272</u>	<u>48,913</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

	2014	2013
	\$	\$
<i>Furniture and Fittings</i>		
Balance at the beginning of year	20,156	26,572
Additions	12,982	5,627
Net Disposals	(8,067)	(5,182)
Depreciation expense	(5,501)	(6,861)
Reclassification- cost	(10,913)	-
Reclassification- accumulated depreciation	10,913	-
Carrying amount at the end of year	<u>19,570</u>	<u>20,156</u>
<i>Computer Equipment</i>		
Balance at the beginning of year	527	9,049
Additions	30,868	-
Net Disposals	(1,307)	(1,409)
Depreciation expense	(3,394)	(7,113)
Reclassification- cost	10,913	-
Reclassification- accumulated depreciation	(10,913)	-
Carrying amount at end of year	<u>26,694</u>	<u>527</u>
<i>Leasehold Improvements</i>		
Balance at the beginning of year	28,230	12,911
Additions	-	20,500
Depreciation expense	(8,972)	(5,181)
Carrying amount at the end of year	<u>19,258</u>	<u>28,230</u>

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
NOTE 10: PROPERTY, PLANT and EQUIPMENT (CONT)		
<i>BUILDINGS</i>		
Balance at the beginning of year	-	-
Additions	78,750	-
Depreciation expense	-	-
Carrying amount at the end of year	78,750	-
Note 11: INTANGIBLE ASSETS		
Computer software & website development – at cost	252,062	-
Accumulated amortisation	(49,348)	-
	202,714	-
NOTE 12: PAYABLES		
CURRENT		
Sundry payables and accrued expenses	294,029	185,917
MasterCard account	8,254	9,202
GST payable	19,537	20,813
Superannuation payable at year end	1,080	(440)
	322,900	215,492
NOTE 13: EMPLOYEE PROVISIONS		
Current		
Annual leave provision related to holders of office	67,963	34,971
Annual leave provision related to employees (other than holders of offices)	97,312	84,070
	165,275	119,041
Long service leave provision related to holders of office	21,793	27,351
Long service leave provision related to employees (other than holders of offices)	43,932	34,348
	65,725	61,699
Separation and redundancies provisions related to holders of office	-	-
Separation and redundancies provisions related to employees (other than holders of offices)	-	-
Other employee provisions related to holders of office	-	-
Other employee provisions related to employees (other than holders of offices)	-	-
Total current employee provisions	231,000	180,740
Non-current		
Long service leave provision related to holders of office	3,814	993
Long service leave provision related to employees (other than holders of offices)	5,065	14,245
Total non-current employee provisions	8,879	15,238

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 13: EMPLOYEE PROVISIONS (CON'T)

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.

NOTE 15: LEASING COMMITMENTS

Operating Lease Commitments

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

	2014	2013
	\$	\$
Payable — minimum lease payments		
— not later than one year	-	114,332
— between one year and five years	-	105,886
	-	220,218

The property lease was a non-cancellable lease with a three 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.

Subsequent to year end, the Australian Federal Police Association purchased a property in Griffith, and as such ended the operating lease. The cancellation fee and costs to makegood are dependent on negotiations with the landlord, which have not been finalised. Currently, an estimate for these costs has been provided for to the amount of \$75,000.

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

On 17th October 2014, the Australian Federal Police Association moved premises to 23 Murray Crescent, Griffith ACT 2603.

	2014	2013
	\$	\$
NOTE 18: CASH FLOW INFORMATION		
a. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit/(loss) after income tax	(283,675)	330,422
Non-cash flows in profit		
Depreciation and amortisation	67,215	19,155
Loss on disposal of asset	6,520	12,000
Changes in assets and liabilities:		
(Increase)/decrease in receivables	7,173	(3,672)
(Increase)/decrease in inventories	2,807	(2,757)
(Decrease)/Increase in payables	96,029	84,751
(Decrease)/Increase in provisions	32,522	(10,588)
	(71,409)	429,311

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 18: CASH FLOW INFORMATION (CON'T)

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 19: RELATED PARTY TRANSACTIONS

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

Mr Dennis Gellatly was a Delegate of The National Council of AFPA and holds presidency of the Canberra Services Club (CSC).

	2014	2013
Sponsorship for CSC Kokoda Trail Appeal	(4,800)	-
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.

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	
	2014	2013	2014	2013	2014	2013	2014	2013
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash and cash equivalents	0.18	0.21	2,824,552	2,633,269	-	-	-	-
Term deposits	1.52	1.85	-	-	969,546	1,585,823	-	-
Loans	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	4,335	15,832
Total Financial Assets:			2,824,552	2,633,269	969,546	1,585,823	4,335	15,832
Trade and sundry payables	-	-	8,254	9,202	-	-	314,646	206,290
Total Financial payables			8,254	9,202	-	-	314,646	206,290

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 21: FINANCIAL INSTRUMENTS (CONTINUED)

Trade and sundry payables are expected to be paid as follows

	2014	2013
	\$	\$
Less than 3 months	322,900	215,492
	322,900	215,492
	322,900	215,492

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 2014, 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:

	2014	2013
	\$	\$
Change in profit		
- Increase in interest rate by 1%	37,941	26,332
- Decrease in interest rate by 1%	(37,941)	(26,332)
Change in equity		
- Increase in interest rate by 1%	(37,941)	(26,332)
- Decrease in interest rate by 1%	37,941	26,332

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: FURTHER DISCLOSURES REQUIRED UNDER S.255 OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 (THE RO ACT)

Financial support provided to enable the Association to continue as a going concern in accordance to s.254(10):

The Australian Federal Police Association – Branch's ability to continue as a going concern is not reliant on the agreed financial support of another reporting unit(s).

Financial support provided to another reporting unit to ensure they have the ability to continue as a going concern in accordance to s.254(11):

The Australian Federal Police association has not agreed to provide financial support to ensure another reporting unit(s) has the ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

**NOTE 22: FURTHER DISCLOSURES REQUIRED UNDER S.255 OF THE FAIR WORK
(REGISTERED ORGANISATIONS) ACT 2009 (THE RO ACT)**

Acquisition of an asset or liability during the financial year in accordance to s.254(12):

The Australian Federal Police Association - Branch has not acquired an asset or liability during the financial year as a result of:

- a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- b) a restructure of the branches of the organisation; or
- c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1).

Compulsory levies raised in the financial year in accordance to s.254(14)(c):

The Australian Federal Police Association—Branch has not raised compulsory levies from the members or as appeals for voluntary contributions (including whip arounds).

Donation or grants received in the financial year in accordance to s.254(14)(d):

The Australian Federal Police Association – Branch has not received any donations or grants (other than voluntary contributions referred to in subparagraph c)).

Financial support received from another reporting unit in accordance to s.254(14)(e):

The Australian Federal Police Association – Branch has not received any financial support from another reporting unit of the organisation during the financial year.

Expenses incurred as consideration for employers making payroll deductions of membership subscriptions in accordance to s.254(16)(a):

The Australian Federal Police Association – Branch did not incur any expenses as consideration for employers making payroll deductions of membership subscriptions.

Capitation fees paid in accordance to s.254(16)(b):

The Australian Federal Police Association – Branch is not required to pay and did not pay capitation fees to another reporting unit of the organisation.

Compulsory levies imposed in accordance to s.254(16)(d):

No compulsory levies were imposed on the Australian Federal Police Association – Branchy during the financial year.

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 22: FURTHER DISCLOSURES REQUIRED UNDER S.255 OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 (THE RO ACT)

Grants or donations paid in accordance to s.254(16)(e):

<u>Category</u>	<u>Amount (\$)</u>
Total amount paid in grants that were \$1,000 or less	-
Total amount paid in grants that exceeded \$1,000	-
Total amount paid in donations that were less than \$1,000	-
Total amount paid in donations that exceeded \$1,000	12,800

Fees or allowances paid to persons to attend a conferences or other meeting as a representative of the reporting unit in accordance to s.254(16)(h)

The Australian Federal Police Association – Branch provided \$13,160 of allowances and subsistence during the financial year to attend meetings.

Penalties imposed under the RO Act in accordance to s.254(16)(k):

No penalties were imposed on the Australian Federal Police Association – Branch under the RO Act with respect to conduct of the Association.

Receivable or payable with another reporting unit in accordance to s.254(18)

There are no items disclosed on face of the statement of financial position as receivable or other right to receive cash or payable or other financial liability derived as a result of one or more transactions and/or other past events with another reporting unit of the organisation.

Name and balance of each fund or account in respect to compulsory levies or voluntary contributions in accordance to s.254(22)(a)

The Australian Federal Police Association – Branch did not operate any funds or accounts in respect of compulsory levies raised by the Association or voluntary contributions collected from members of the reporting unit during the financial year.

Details of any transfer or withdrawals to a fund, account or controlled entity in accordance to s.254(22)(a)

The Australian Federal Police Association – Branch has made no transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the reporting unit during the financial year.

Details of any transfer or withdrawals to a fund, account or controlled entity in accordance to s.254(24)

No other reporting unit and/or controlled entity of the organisation was the source of a cash inflow or the application of a cash outflow during the financial year.

NOTE 23: ASSOCIATION DETAILS

The principal places of business is:

Australian Federal Police Association – Branch
23 Murray Crescent, Griffith ACT 2603

NOTE 24: 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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 24: INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER, FAIR
WORK AUSTRALIA**

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)

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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	<i>Financial Instruments</i>	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.	1 January 2015 (Changed to 1 January 2017 by AASB 2013-9C)	Minimal impact
2009-11	<i>Amendments to Australian Accounting Standards arising from AASB 9</i>	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.	1 January 2015	Minimal impact
2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	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	1 January 2015	Minimal impact
2011-7 (Not-for-Profits Only)	<i>Amendments to Australian Accounting Standards arising from AASB 10,11,12,127,128</i>	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	1 January 2014	Minimal impact
2012-3	<i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities</i>	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132.	1 January 2014	Minimal impact
2013-3	<i>Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets</i>	This Standard amends the disclosure requirements in AASB 136 to include additional disclosures about the fair value measurement and discount rates when the recoverable amount of impaired assets is based on fair value less costs of disposal.	1 January 2014	Minimal impact

AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
ABN 95 799 543 741

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 24: NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONT)

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
2013-9B	<i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i>	Part B of 2013-9 makes amendments to particular Australian Accounting Standards to delete references to AASB 1031, and makes various editorial corrections to Australian Accounting Standards.	1 January 2014	Minimal impact
2014-1A	<i>Amendments to Australian Accounting Standards</i>	Part A of 2014-1 amends various standards as a result of the annual improvements process	1 July 2014	Minimal impact
2014-1B	<i>Amendments to Australian Accounting Standards</i>	Part B of AASB 2014-1 makes amendments to AASB 119 Employee Benefits in relation to the requirements for contributions from employees or third parties that are linked to service.	1 July 2014	Minimal impact
2014-1C	<i>Amendments to Australian Accounting Standards</i>	Part C of AASB 2014-1 makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031.	1 July 2014	No expected impact
2014-2	<i>Amendments to AASB 1053 – Transition to and between Tiers, and related Tier 2 Disclosure Requirements</i>	Makes certain clarifying amendments to AASB 1053	1 July 2014	No expected impact
AASB 1031	<i>Materiality</i>	Re-issuance of AASB 1031	1 January 2014	No expected impact
2014-4	<i>Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation</i>	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset, and to clarify that revenue is generally presumed to be an inappropriate basis for that purpose.	1 January 2016	Minimal impact

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 2014. 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: 31 October 2014

**AUSTRALIAN FEDERAL POLICE ASSOCIATION – BRANCH
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2014**

	2014 \$	2013 \$
REVENUE		
Operating activities		
Members subscriptions	3,491,120	3,242,374
Sale of goods	16,620	24,229
Interest	124,163	130,441
Other income	41,748	23,885
	<u>3,673,651</u>	<u>3,420,929</u>
EXPENDITURE		
Affiliation fees	117,684	97,514
Advertising/Marketing	21,103	53,051
Annual leave provision	46,234	(5,693)
Accounting/audit	30,040	20,725
Agreements/Campaigns	65,894	1,000
Bank charges	2,141	3,120
Bad debts	3,040	
Contract Work	98,574	37,250
Depreciation and amortisation	67,215	19,155
Donations	13,800	-
Loss on disposal of fixed asset	6,520	12,000
Electricity	5,912	5,221
Freight & postage	6,201	1,391
Fringe benefit tax	20,100	27,892
Insurance	27,584	21,213
Internet, IT and web expenses	43,426	106,802
Legal fees for association	3,792	12,428
Legal assistance for members	331,463	9,809
Life assurance for members	1,253,869	1,123,020
Long service leave provision	(2,335)	(4,894)
Meeting expenses	36,189	46,071
Membership & subscription fees	6,874	17,604
Motor vehicle expenses	86,651	85,064
Office expenses	5,200	3,876
Printing & stationery	11,219	9,650
Rent – branch office	117,532	114,807
Rental expense on operating leases - equipment	6,760	6,760
Repairs & maintenance	101,793	23,427
Salaries & wages	1,149,690	949,735
Staff amenities	1,439	1,866
Shrinkage	(1,379)	189
Staff training	15,265	3,909
Stock purchases	13,064	15,102
Superannuation	146,649	149,657
Telephone	20,679	13,946
Travel, subsistence & accommodations	77,444	107,840
	<u>3,957,326</u>	<u>3,090,507</u>
Profit from ordinary activities before income tax	(283,675)	330,422
Income tax expense	-	-
Profit from ordinary activities after income tax	(283,675)	330,422
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR	4,015,655	3,685,233
Transfer to Reserve	-	-
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	<u>3,731,980</u>	<u>4,015,655</u>

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