



FAIR WORK
AUSTRALIA

CERTIFICATE

Fair Work (Registered Organisations) Act 2009

s.269(2)(a) - Reporting unit's financial affairs encompassed by associated State body

Police Federation of Australia

(FR2011/2823)

AILS A CARRUTHERS

MELBOURNE, 6 JULY 2012

Reporting unit's financial affairs encompassed by associated State body

[1] On 29 May 2012 an application was made under s269(2)(a) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the New South Wales Branch (the Branch) of the abovenamed organisation for a certificate stating that the financial affairs of the Branch are encompassed by the financial affairs of the Police Association of NSW (the Association), an associated State body, in respect of the financial year ending 31 December 2011.

[2] On 5 July 2012, the Branch lodged a copy of the audited accounts of the Association with Fair Work Australia.

[3] I am satisfied that the Association:

- is registered under the *Industrial Relations Act 1996* (NSW), a prescribed State Act; and
- is, or purports to be, composed of substantially the same members as the Branch; and
- has, or purports to have, officers who are substantially the same as designated officers in relation to the Branch; and
- is an associated State body.

[4] I am further satisfied that:

- the Association has in accordance with prescribed State legislation, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the accounts with the relevant State authority; and
- any members of the Branch who are not also members of the Association have been provided with copies of the accounts at substantially the same time as the members of the Branch who are members of the Association.

[5] I am satisfied that the financial affairs of the Branch in respect of the financial year ending 31 December 2011, are encompassed by the financial affairs of the Association and I certify accordingly under s269(2)(a) of the Act.

DELEGATE OF THE GENERAL MANAGER
FAIR WORK AUSTRALIA

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ELLIOTT, Mark

From: ELLIOTT, Mark
Sent: Friday, 6 July 2012 11:58 AM
To: 'Peter Remfrey'
Subject: PFA NSW Branch financial reporting for y/e 31.12.2011 (FR2011/2823)
Attachments: FR2011_2823.pdf

Good morning Peter,

I refer to the request for a certificate, under s.269 of the *Fair Work (Registered Organisations) Act 2009*, in relation to the for the Police Federation of Australia – New South Wales Branch's financial reporting obligations for the year ended 31 December 2011.

The Delegate of Fair Work Australia's General Manager issued a certificate today. A copy is attached.

Regards,

MARK ELLIOTT

Organisations, Research and Advice

Fair Work Australia

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POLICE FEDERATION OF AUSTRALIA NEW SOUTH WALES POLICE BRANCH

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PR:SW
Ref: PFA Rules
28 May 2012

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

Attn Mr Mark Elliott

Dear Sir/Madam

**SUBJECT: APPLICATION PURSUANT TO s.269 OF THE FAIR WORK
(REGISTERED ORGANISATIONS) ACT 2009**

The Police Federation of Australia NSW Police Branch makes application, pursuant to s.269 of Fair Work (Registered Organisations) Act 2009,

RELIEF SOUGHT

- That the Registrar issue a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of the associated State body.
- That the Reporting Unit is taken to have satisfied Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009

GROUND AND REASONS

S.269 applies to the PFA, NSW Police Branch (hereinafter referred to as "Reporting Unit") on the following basis:

1. The Police Association of NSW (hereinafter referred to as the "associated State body") is registered as an industrial organisation under the *Industrial Relations Act (NSW) 1996*.
2. The associated State body is composed of substantially the same members as the Reporting Unit.

3. The officers of the associated State body are substantially the same as the officers of the Reporting Unit.

The Reporting Unit is taken to have satisfied Part 3 of Chapter 8 of the Act on the following basis:

- a. The associated State body has, in accordance with the *Industrial Relations Act (NSW) 1996*, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members, and lodged the audited accounts with the Registry of the New South Wales Industrial Relations Commission and
- b. A copy of the audited accounts are attached hereto (See Attachment 1);
- c. All members of the Reporting Unit and the associated State body, at substantially the same time, have been provided a copy of the audited accounts, free of charge, in accordance with s.510 of the *Industrial Relations Act (NSW) 1996*, by publishing the Reports in the Reporting Unit and Associated State Body's monthly Journal.
- d. All members of the Reporting Unit have been provided with a copy of the Operating Report by publishing on the Reporting Unit and the Associated State Body's Web Site and notifying members that this report has been published by stating the report can be obtained on the web site and within the audited accounts published in the Associated State Body's monthly Journal (See Attachment 1)
- e. A copy of the Operating Report is attached hereto (see attachment 2)

The Police Federation of Australia, NSW Police Branch, submits that based on the grounds and reasons stated herein and the supporting documentation, the Branch satisfies s.269 and consequently seeks the relief as sought in this application.

If you have any queries with regard to this application or seek further supporting evidence, please contact this office.

Yours faithfully



Scott Weber
Branch President

POLICE FEDERATION OF AUSTRALIA – NSW POLICE BRANCH

Operating Report for year ended 31 December 2011 – s254

Principal Activities

The principal activities of the Branch during the reporting period were to provide industrial and organizing services to the members, consistent with the objects of the Federation, and particularly the object of protecting and improving the interests of the members. s254(2)(a)

The Branch's principal activities results in maintaining and improving the wages and conditions of employment of the membership, particularly for those members in collective enterprise agreements and Awards negotiated by the Association. s254(2)(a)

Significant Changes

There were no significant changes in the nature of the Association's principal activities during the reporting period. s254(2)(a)

Manner of Resignation

Members may resign from the Branch in accordance with Rule11.

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s254(2)(d)

No officers of the branch held positions of Trustee or director of Trustee Company of a superannuation entity or exempt public sector superannuation scheme.

Number of members

The number of persons who, at the end of the reporting period, were recorded on the Register of Members of the Branch was 16,251

Number of Employees

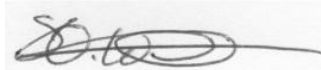
The number of persons who were, at the end of the reporting period, employees of the Branch was one.

Members of Committee of Management

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

Scott Weber	Branch President	1 January 2011 - 31 December 2011
Patrick Gooley	Branch Vice President	1 January 2011 - 31 December 2011
Prudence Burgun	Branch Treasurer	1 January 2011 - 31 December 2011
Anthony Bear	Branch Executive	1 January 2011 - 31 December 2011
Jennifer Hilder	Branch Executive	1 January 2011 - 31 December 2011
Duncan Gray	Branch Executive	1 January 2011 - 07 April 2011
Craig Partridge	Branch Executive	5 May 2011 - 31 December 2011
Robert Dunn	Branch Executive	1 January 2011 - 31 December 2011
Anthony King	Branch Executive	1 January 2011 - 31 December 2011

Melissa Cooper	Branch Executive	18 March 2011 - 31 December 2011
Jason Hogan	Branch Executive	1 January 2011 - 31 December 2011
Michael Plotecki	Branch Executive	1 January 2011 - 31 December 2011
Michael Connor	Branch Executive	1 January 2011 - 31 December 2011
Stephen McDonald	Branch Executive	1 January 2011 - 31 December 2011
Michael Aalders	Branch Executive	1 January 2011 - 31 December 2011
Mark Ward	Branch Executive	1 January 2011 - 31 December 2011
Richard McDonald	Branch Executive	1 January 2011 - 31 December 2011
Barry Mullan	Branch Executive	1 January 2011 - 23 December 2010
Dean Koenig	Branch Executive	1 January 2011 - 31 December 2011



.....
Signed Scott Weber
(Branch President)
Date: ...4 May 2012.....

POLICE ASSOCIATION OF NEW SOUTH WALES
ABN 86 047 021 267

COMMITTEE OF MANAGEMENT STATEMENT

On 16th March 2012 the Committee of Management of the Police Association of NSW passed the following resolution in relation to the general purpose financial report of the reporting unit for the financial year ended 31st December 2011.

The Committee of management declares in relation to the general purpose financial report that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar
- (c) the financial statements and notes give a true and fair view of the financial performances, the 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 general purpose financial report 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; and
 - ii the financial affairs of the reporting unit have been managed in accordance with the rules of the Association; and
 - iii There have not been, during the financial year to which the financial report relates, instances where records of the Association or other documents (not being documents containing information made available to a member of the Association under section 512(2) of the 1991 Act, as applied by Section 282(3) of the Industrial Relations Act 1996, or copies of those records or other documents, or copies of the rules of the Association) have not been furnished or made available to members of the Association in accordance with the Act, the Regulation or the rules of the Association, as the case may be; and
 - iv In relation to the financial report prepared in accordance with Section 514 of the 1991 Act as applied by Section 282(3) of the Industrial Relation Act 1996, by the auditor of the Association in respect of financial year immediately preceding the financial year to which the financial report relates (ie. the second most recently concluded financial year) and in relation to any accounts and statements prepared in accordance with Section 510 (1) of the 1991 Act to which that report relates, the Association has complied with Section 517 (1) of the 1991 Act and whichever of the subsections (5) and (6) of that section of the Act is applicable.
- (f) In relation to the recovery of wages activity
 - i There were no recovery of wages activity for the Police Association of NSW for the year ended 31st December 2011

For the Committee of management

PRUDENCE BURGUN
Treasurer

RAFF DEL VECCHIO
Head of Administrative Services

Dated at Sydney this 16th day of March 2012

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2011

2010	<u>ACCUMULATED FUNDS</u>	<u>NOTE</u>	2011
\$			\$
10,636,356	Retained Earnings		13,127,925.19
1,590,272	Reserves	14	1,939,700.93
12,226,628	Balance as at 31st December 2011		15,067,626.12
	 <u>REPRESENTED BY</u>		
	<u>CURRENT ASSETS</u>		
95	Cash on Hand		500.00
12,282	Other Debtors		50,412.27
2,161,997	Cash at Bank		3,978,313.72
99,866	Prepayments		33,912.11
14,074	Stock of Wall Plaques and Association Jewellery	12	15,979.70
2,288,314			4,079,117.80
	 <u>NON CURRENT ASSETS</u>		
485,571	Level 3, 32/154 Elizabeth Street, Sydney	3	487,000.00
755,000	Level 2, 24/154 Elizabeth Street, Sydney	3	855,000.00
800,000	Level 1, 20/154 Elizabeth Street, Sydney	3	863,000.00
866,000	Level 1, 22/154 Elizabeth Street, Sydney	3	950,000.00
1,279,000	Level 3, 12, 30, 31/154 Elizabeth Street, Sydney	3	1,330,000.00
3,000,000	Level 4, 15/154 Elizabeth Street, Sydney	3	2,870,000.00
3,400,000	Ground floor, 1&2/58 Pitt Street, Sydney	3	3,480,000.00
2,700,000	Level 3, 19/33-35 Belmont Street, Sutherland	3	2,800,000.00
	Motor Vehicles - at cost	4	561,529.50
470,159	Less accumulated depreciation		112,388.50
	Office Equipment - at cost	4	223,097.70
53,558	Less accumulated depreciation		143,813.70
	Office Furniture - at cost	4	373,020.38
256,295	Less accumulated depreciation		160,223.38
	Staff amenities	4	15,461.00
7,266	Less accumulated depreciation		13,038.00
14,072,849			14,378,645.00
16,361,163	TOTAL ASSETS		18,457,762.80
	 <u>LESS CURRENT LIABILITIES</u>		
1,943,014	Trade Creditors and accruals		1,378,152.71
249,853	Police Credit Union Loan Account - Secured		50.00
51,024	Receipts in Advance		8,033.71
484,773	Provision for Annual Leave	6	543,636.14
1,405,871	Provision for Long Service Leave	7	1,460,264.12
4,134,535	TOTAL LIABILITIES		3,390,136.68
12,226,628	NET ASSETS		15,067,626.12

To be read in conjunction with the notes attached

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2011

2010		NOTE		2011
\$				\$
<u>Income</u>				
12,891,411	Subscriptions	- Membership fees		13,441,829.05
279,337		- Associate Membership		285,782.83
140		- Magazine "Police News"		-
220,421	Rentals Received	- Elizabeth Street, Sydney		252,920.80
200,863		- Pitt Street, Sydney		240,050.38
229,648		- Belmont Street, Sutherland		279,661.05
25,992	Advertising fees received			9,438.95
38,912	Interest received			166,129.66
346,502	Other Income			290,892.87
<u>14,233,226</u>				<u>14,966,705.59</u>
 <u>Administration</u>				
385,015	Annual leave	6	428,329.67	
69,600	Audit & accounting	8	69,850.00	
2,241	Bank charges		1,558.16	
372	Branch visits		446.57	
81,148	Computer systems		143,831.22	
133,315	Consultancy fee		98,927.78	
6,422	Courier fees		8,695.76	
144,677	Depreciation		145,242.00	
67,095	Donations		117,171.82	
287,045	FBT		295,656.60	
111,696	Insurance		248,113.55	
110,929	Lease of equipment	9	118,427.74	
164,022	Long service leave	7	273,246.75	
< 2,014 >	Loss on sale of assets		622.00	
9,377	Motor vehicle expenses		11,301.96	
26,039	Office electricity		34,061.85	
15,284	Office equipment/repairs/service		12,795.97	
318,473	Payroll tax		329,511.18	
68,356	Postage/printing/stationery		77,786.66	
318,747	Property expenses	10	389,830.17	
1,191	Representation/promotion		671.01	
5,038,664	Salaries, allowances & packaging - Association		4,956,603.14	
50,152	Seconded officers' expenses		96,833.57	
16,645	Staff amenities		17,140.53	
13,105	Sundry office		22,590.45	
458,023	Superannuation contribution - Employee - AMP/SASS		542,678.21	
88,732	Superannuation contribution - Employee - Police Dept.		77,056.31	
103,122	Telephone/fax/internet		99,006.84	
2,363	Telephone		3,267.03	
20,288	Travelling -local area		18,872.56	
<u>8,110,124</u>			<u>8,640,127.06</u>	
 <u>Affiliated Union Subscriptions</u>				
48,325	Union of NSW		64,266.88	
253,305	Police Federation of Australia		260,587.20	
<u>301,630</u>			<u>324,854.08</u>	

To be read in conjunction with the notes attached.

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2011

	<u>Branch Expenses</u>		
2,607	Petty cash/stationery/sundry expenses	3,229.26	
126,241	Regional branch meeting	97,061.23	
<u>128,848</u>			100,290.49
	<u>Conference Expenses</u>		
304,352	Conference expenses	-	
21,835	Delegates expenses & allowances	-	
4,234	Printing/recording/badge/sundries	-	
<u>330,421</u>			-
	<u>Executive Expenses</u>		
34,741	Branch visits and airfares	26,773.49	
30,972	Executive expenses allowance & committee expenses	19,597.24	
98,624	Executive meeting & representation promotions	89,726.02	
2,478	Training & education	14,063.85	
40,090	Telephone, drycleaning & internet	41,025.76	
35,858	Travel & motor vehicle expenses	37,132.19	
11,973	Loss on disposal of motor vehicle	-	
<u>254,736</u>			228,318.55
	<u>Industrial</u>		
212	Branch visits	-	
3,809	Motor vehicle expenses	4,869.69	
2,584	Representation/promotion	226.78	
1,349	Telephone	693.83	
3,521	Training - seminars - TUTA	1,886.00	
303	Travel - allied costs	68.73	
-	Loss on disposal of assets	-	
<u>11,778</u>			7,745.03
	<u>Legal</u>		
330	Branch visits	-	
22,352	Clothing/telephone	13,310.06	
7,904	Motor vehicle expenses	12,815.59	
4,727	Representation/promotion	1,764.68	
5,328	Travel - allied costs	11,648.18	
27,105	Training - seminars	15,462.93	
1,474	Loss on disposal of assets	-	
<u>69,220</u>			55,001.44
	<u>Members' Benefits</u>		
4,526	Associate benefits	5,205.82	
114,950	Death benefits	110,420.28	
2,378	Hospital amenities	2,013.81	
2,943,138	Legal assistance	11 1,553,753.55	
9,275	Monthly magazine - 'Police News'	11,020.71	
30,959	Pocket diaries	29,027.67	
745	Rule books & publications	4,700.00	
52,000	Scholarships	64,700.00	
24,000	Trust funds under death benefit scheme	84,000.00	
6,006	Wall plaques & Association jewellery	12 5,356.83	
19,697	Member benefit programs & representation	21,343.00	
38,133	Welfare assistance	34,014.70	
<u>3,245,807</u>			1,925,556.37

To be read in conjunction with the notes attached.

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2011

	2010		NOTE	2011
	\$			\$
		<u>Organisers</u>		
	50,392	Branch visits	43,603.56	
	29,290	Clothing/telephone	30,501.05	
<	4,237	Loss on sale of asset	28,852.73	
>	96,831	Motor vehicle expenses	118,579.42	
	5,422	Representation/promotion	7,260.38	
	1,748	Travel & allied costs	3,201.30	
	22,198	Training - seminars	4,372.00	
	<u>201,644</u>			236,370.44
		<u>Resources/Research</u>		
	0	Branch visits	-	
	22894	Library & publications	82,592.43	
	0	Loss on sale of assets	851.22	
	6351	Motor vehicle expenses	7,274.44	
	618	Representation/Promotion	660.00	
	4109	Travel & allied costs	2,714.31	
	4534	Telephone	2,989.36	
	<u>38,506</u>			97,081.76
		<u>Secretary</u>		
	283,523	Media consultancy & campaigns	706,279.32	
	4,238	Motor vehicle expenses	6,672.25	
	1,413	Representation/promotion	830.05	
	5,983	Training/education	-	
	2,630	Telephone	3,596.87	
	4,398	Travel - allied costs	1,430.22	
	-	Loss on sale assets	4,589.82	
	<u>302,185</u>			723,398.53
		<u>Training Coordinator</u>		
	781	Member associated costs	1,207.37	
	8,171	Training	2,729.09	
	156,213	Work Cover	132,456.02	
	<u>165,165</u>			136,392.48
	<u>13,160,064</u>	TOTAL EXPENDITURE		<u>12,475,136.23</u>
	<u>1,073,162</u>	Operating Surplus for the year		<u>2,491,569.36</u>

To be read in conjunction with the notes attached.

POLICE ASSOCIATION OF NEW SOUTH WALES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2011

	Retained Earning	Asset Revaluation	TOTAL
Balance as at 1st January 2009	\$ 7,515,331.26	\$ 3,378,206.59	\$ 10,893,537.85
Profit for the Year 2009	\$ 2,047,862.57		\$ 2,047,862.57
Revaluation decrement	-	< \$ 1,787,934.83 >	< \$ 1,787,934.83 >
Balance as at 31st December 2009	<u>\$ 9,563,193.83</u>	<u>\$ 1,590,271.76</u>	<u>\$ 11,153,465.59</u>
Profit for the year 2010	\$ 1,073,162.00		\$ 1,073,162.00
Revaluation	\$ -	\$ -	\$ -
Balance as at 31st December 2010	<u>\$ 10,636,355.83</u>	<u>\$ 1,590,271.76</u>	<u>\$ 12,226,627.59</u>
Profit for the year 2011	\$ 2,491,569.36		\$ 2,491,569.36
Revaluation increment		\$ 349,429.17	\$ 349,429.17
Balance as at 31st December 2011	<u><u>\$ 13,127,925.19</u></u>	<u><u>\$ 1,939,700.93</u></u>	<u><u>\$ 15,067,626.12</u></u>

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

CASH FLOWS STATEMENT

For the year ended 31st December 2011

2010		2011
	<u>Cash from Operating Activities</u>	
14,487,204	Receipts from members	15,075,100.43
767,049	Receipts from rentals	845,071.81
38,912	Interest Received	166,129.66
409,744	Other incomes and grants	330,365.00
< 14,341,643 >	Payments to suppliers, employees and members' benefits	< 14,213,615.87 >
<u>1,361,266</u>	Net cash provided by operating activities	<u>2,203,051.03</u>
	<u>Cash flows from Investing Activities</u>	
132,726	Proceeds from sales of assets	64,090.00
< 485,571 >	Payment re purchase of property	-
< 28,900 >	Payment re purchase of plant and equipment	< 40,399.00 >
< 294,845 >	Payment re purchase of motor vehicles	< 160,217.00 >
-	Payment re office refurbishments	-
< <u>676,590</u> >	Net cash used from investing activities	< <u>136,526.00</u> >
	<u>Cash flows from Financing Activities</u>	
494,844	Proceeds from borrowing	-
< <u>244,991</u> >	Repayment of borrowing	< <u>249,803.34</u> >
<u>249,853</u>	Net cash used from financing activities	< <u>249,803.34</u> >
934,529	Net increase/<decrease> in cash held	1,816,721.69
<u>1,227,563</u>	Cash at the beginning of the financial year	<u>2,162,092.03</u>
<u><u>2,162,092</u></u>	Cash at the end of the financial year	<u><u>3,978,813.72</u></u>

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

Notes to the Financial Statements

Note 1: Statement of Significant Accounting Policies

The financial report covers Police Association of New South Wales as an individual entity registered in New South Wales and domiciled in Australia

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, and other authoritative pronouncements of the Australian Accounting Standards Board and the Industrial Relations Act 1991.

Australian Accounting Standards sets 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 of fair value of selected non-current assets, financial assets and financial liabilities.

ACCOUNTING POLICIES

a. Income Tax

No provision for income tax is necessary as the Association is exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

b. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes direct costs and appropriate amounts of variable and fixed overheads.

c. Plant, Equipment and Motor Vehicles

Plant, equipment and motor vehicles is carried at cost, less any accumulated depreciation. The carrying amount of plant, equipment and motor vehicles 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 cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

Notes to the Financial Statements

d. Depreciation

The depreciable amount of all fixed assets is depreciated on the straight line method over their useful lives to the Association commencing from the time the asset is held ready for use.

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

Class of Fixed Assets	Depreciation Rate
Office plant and equipment & staff amenities	7.5-33%
Motor Vehicles	15%

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.

e. 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.

f. 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 flows 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

g. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions for Annual Leave and Long Service Leave have been recorded as liabilities.

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

Notes to the Financial Statements

h. 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. Bank loans are shown within borrowings in current liabilities in The Statement of Financial Position.

i. Revenue

Membership subscription income has been accounted for on an accrual basis. Membership subscriptions outstanding at balance sheet date have been brought to account as receivables where subscriptions are paid by the members' employer through salary deductions. All other membership subscriptions due to be paid are recognised when received. Membership income is deemed earned in the year to which it relates.

Interest revenue is recognised when received and credited to the bank account.

Investment property revenue is recognised on a straight-line basis over the period of lease term so as to reflect a constant periodic rate of return on the net investment. Rentals paid in advance are recognised as income in the next financial year. These amounts are shown as receipts in advance on the financial report.

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

j. Goods and Services Tax

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 Taxation Office. In these circumstances, 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 flows statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

k. Comparative Figures

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

l. Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year which are unpaid. The amounts shown are inclusive of GST.

Note 2: Information to be provided to Members or the Registrar

- a) section 272 (5) the attention of members is drawn to the provisions of subsections (1), (2) and (3)
- i A member of a reporting unit, or the General Manager, may apply in writing to the reporting
 - ii The application must be in writing and must specify the period within which, and the
 - iii A reporting unit must comply with an application made under subsection (1)

POLICE ASSOCIATION OF NEW SOUTH WALES
ABN 86 047 021 267
Notes to the Financial Statements

Note 3: Strata Titled Properties

2010 \$		2011 \$
800,000	Level 1, 20/154 Elizabeth Street, Sydney	
-	Balance as at 1/1/2011	800,000.00
<u>800,000</u>	Valuation increment(decrement)	<u>63,000.00</u>
	Market value at independent valuation 31/12/2011	<u>863,000.00</u>
866,000	Level 1, 22/154 Elizabeth Street, Sydney	
-	Balance as at 1/1/2011	866,000.00
<u>866,000</u>	Valuation increment(decrement)	<u>84,000.00</u>
	Market value at independent valuation 31/12/2011	<u>950,000.00</u>
755,000	Level 2, 24/154 Elizabeth Street, Sydney	
-	Balance as at 1/1/2011	755,000.00
<u>755,000</u>	Valuation increment(decrement)	<u>100,000.00</u>
	Market value at independent valuation 31/12/2011	<u>855,000.00</u>
1,279,000	Level 3, 12, 30, 31/154 Elizabeth Street, Sydney	
-	Balance as at 1/1/2011	1,279,000.00
<u>1,279,000</u>	Valuation increment(decrement)	<u>51,000.00</u>
	Market value at independent valuation 31/12/2011	<u>1,330,000.00</u>
3,000,000	Level 4, 154 Elizabeth Street, Sydney	
-	Balance as at 1/1/2011	3,000,000.00
<u>3,000,000</u>	Valuation increment(decrement)	< <u>130,000.00</u> >
	Market value at independent valuation 31/12/2011	<u>2,870,000.00</u>
3,400,000	Ground floor 12/58 Pitt Street, Sydney	
-	Balance as at 1/1/2011	3,400,000.00
<u>3,400,000</u>	Valuation increment(decrement)	<u>80,000.00</u>
	Market value at independent valuation 31/12/2011	<u>3,480,000.00</u>
2,700,000	Level 3, 19/33-35 Belmont Street, Sutherland	
-	Balance as at 1/1/2011	2,700,000.00
<u>2,700,000</u>	Valuation increment(decrement)	<u>100,000.00</u>
	Market value at independent valuation 31/12/2011	<u>2,800,000.00</u>
485571	Level 3, 32/152 Elizabeth Street, Sydney - At cost	
-	Balance as at 1/1/2011	485,570.83
<u>485,571</u>	Valuation increment	<u>1,429.17</u>
	Market value at independent valuation 31/12/2011	<u>487,000.00</u>

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

Notes to the Financial Statements

Note 4: Property, Plant, Equipment & Motor Vehicles

Movement in Carrying Amounts

	Balance as at 1/1/2011	Sale	Profit/<Loss>	Additions/ Refurbishments	Valuation/ Decrement	Depreciation	Carrying Amount 31/12/2011
Strata properties	13,285,570.83				349,429.17		13,635,000.00
Motor vehicles	470,159.00	< 64,090.00 >	< 34,295.00 >	160,217.00		< 82,850.00 >	449,141.00
Office equipment	53,558.00	<	> < 622.00 >	40,147.00		< 13,799.00 >	79,284.00
Office furniture	256,295.00			252.00		< 43,750.00 >	212,797.00
Staff amenities	7,266.00			-		< 4,843.00 >	2,423.00
TOTAL	<u>14,072,848.83</u>	< <u>64,090.00</u> >	< <u>34,917.00</u> >	<u>200,616.00</u>	<u>349,429.17</u>	< <u>145,242.00</u> >	<u>14,378,645.00</u>

Note 5: Strata Titled Properties

Movement of Cost & Valuation as at 31st December 2011

	Independent Valuation	Carrying Cost As At 1/12/11	Acquisition	Carrying Cost As At 31/12/11
Lvl 1, 20/154 Elizabeth Street, Sydney	✓	800,000.00		863,000.00
Lvl 1, 22/154 Elizabeth Street, Sydney	✓	866,000.00		950,000.00
Lvl 2, 24/154 Elizabeth Street, Sydney	✓	755,000.00		855,000.00
Lvl 3, 12, 30, 31/154 Elizabeth Street, Sydney	✓	1,279,000.00		1,330,000.00
Lvl 4, 154 Elizabeth Street, Sydney	✓	3,000,000.00		2,870,000.00
Ground Fl, 12/58 Pitt Street, Sydney	✓	3,400,000.00		3,480,000.00
Lvl 3, 19/33-35 Belmont Street, Sutherland	✓	2,700,000.00		2,800,000.00
Lvl 3, 32/154 Elizabeth Street, Sydney	✓	485,570.83	-	487,000.00
		<u>13,285,570.83</u>	<u>-</u>	<u>13,635,000.00</u>

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

Notes to the Financial Statements

2010		2011															
\$		\$															
	<u>Note 6 - Provision for Annual Leave</u>																
510,796	Balance as at 01/01/11	484,772.89															
385,015	Add additional provision for the year	428,329.67															
<u>895,811</u>		<u>913,102.56</u>															
< 411,038 >	Less paid during the year	< 369,466.42 >															
<u>484,773</u>	Balance as at 31/12/11	<u>543,636.14</u>															
	 <u>Note 7 - Provision for Long Service Leave</u>																
1,329,922	Balance as at 01/01/11	1,405,870.94															
164,022	Add additional provision for the year	273,246.75															
<u>1,493,944</u>		<u>1,679,117.69</u>															
< 88,073 >	Less paid during the year	< 218,853.57 >															
<u>1,405,871</u>	Balance as at 31/12/11	<u>1,460,264.12</u>															
	 <u>Note 8 - Auditor's Remuneration</u>																
	Total amounts receivable by the auditor of the Association																
16,000	(a) Audit of Accounts	16,000.00															
53,600	(b) Other services	53,850.00															
<u>69,600</u>		<u>69,850.00</u>															
	The auditor did not receive any other benefits.																
	 <u>Note 9 - Lease Commitments</u>																
	The Association has entered into leasing arrangements with Capital Finance for the lease of computers, accessories and photocopiers. During the year, variations to the lease were made. The figures disclosed incorporated these variations. The following amounts include GST.																
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 15%;"><u>Year</u></th> <th style="text-align: left; width: 40%;"><u>Yearly Payment</u></th> <th style="text-align: left; width: 45%;"><u>Balance</u></th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>116930.48</td> <td>183608.36</td> </tr> <tr> <td>2013</td> <td>100091.96</td> <td>83516.40</td> </tr> <tr> <td>2014</td> <td>55677.60</td> <td>27838.80</td> </tr> <tr> <td>2015</td> <td>27838.80</td> <td>0</td> </tr> </tbody> </table>	<u>Year</u>	<u>Yearly Payment</u>	<u>Balance</u>	2012	116930.48	183608.36	2013	100091.96	83516.40	2014	55677.60	27838.80	2015	27838.80	0	
<u>Year</u>	<u>Yearly Payment</u>	<u>Balance</u>															
2012	116930.48	183608.36															
2013	100091.96	83516.40															
2014	55677.60	27838.80															
2015	27838.80	0															
	 <u>Note 10 - Property Expenses</u>																
183,800	Elizabeth Street, Sydney	236,305.56															
75,297	Pitt Street Property Expenses	84,643.82															
59,650	Sutherland Property Expenses	68,880.79															
<u>318,747</u>		<u>389,830.17</u>															
	 <u>Note 11 - Contingent Liabilities</u>																
	Legal liabilities estimated by the Association's solicitors existed at 31st December, 2011. The liabilities represent approved legal assistance for matters in the hands of solicitors and barristers as at 31st December 2011.																
<u>1,246,723</u>		<u>1,440,286.00</u>															

POLICE ASSOCIATION OF NEW SOUTH WALES
ABN 86 047 021 267

Notes to the Financial Statements

Note 12 - Wall Plaques and Association Jewellery

10,435	Stock on hand - 1/1/2011	14,073.80
<u>10,607</u>	Add purchases during the year	<u>8,490.29</u>
21,042		22,564.09
< 962 >	Less Sales	< 1,227.56 >
<u>< 14,074 ></u>	Stock on hand 31/12/2011	<u>< 15,979.70 ></u>
<u>6,006</u>		<u>5,356.83</u>

Note 13 - Related Party Transactions

There are no related party transactions for the year ended 31st December 2011

Note 14 - Reserves

	Asset Revaluation Reserve
Balance as at 1/1/2009	3,378,206.59
Revaluation of land and building 2009	< <u>1,787,934.83</u> >
Balance as at 31/12/2009	1,590,271.76
Revaluation of land and building 2010	< <u>-</u> >
Balance as at 31/12/2010	1,590,271.76
Revaluation of land and building 2011	<u>349,429.17</u>
Balance as at 31/12/2011	<u><u>1,939,700.93</u></u>

Note 15 - Events after the Balance Date

Since the end of the financial year, there are no known events, financial or otherwise that would impact materially on the financial statements of the entity at 31st December 2011.

POLICE ASSOCIATION OF NEW SOUTH WALES

ABN 86 047 021 267

INDEPENDENT AUDIT REPORT

To the members of the Police Association of New South Wales

Report on the Financial Statement

I have audited the accompanying financial report of the Police Association of New South Wales for the year ended 31st December 2011 which comprises the statement of financial position, statement of comprehensive income, the statement of changes in equity, statement of cash flows, a summary of significant accounting policies and other explanatory notes and the Committee of Management statement.

Committee of Management's Responsibility for the Financial Report

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

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial report, whether due to fraud or error. In making those 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 management as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

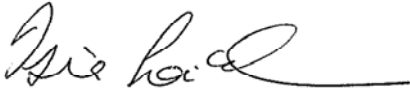
In conducting my audit, I have complied with the applicable independence requirements of the Australian professional ethical pronouncements, including those of the institute of Chartered Accountants in Australia.

Audit Opinion

In my opinion, I report that:

1. There were kept by the Association, in respect of the year ended 31st December 2011, satisfactory accounting records detailing the sources and nature of the income of the Association including income from members and the nature and purpose of expenditure; and
2. The attached financial reports and statements, including the Statement by Committee of Management are prepared in accordance with Section 510 of the Industrial Relations Act 1991. The financial reports have been prepared from accounting records of the Association and are properly drawn so as to give a true and fair view of:
 - a) the financial affairs of the Association as at 31st December 2011 and
 - b) the comprehensive income statement, and the Statement of Changes in Equity, Cash flows statement and the surplus for the year ended 31st December 2011, and
 - c) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by me or by any person authorized by me for the purpose of the audit, was providedand are in accordance with the Statements of Accounting Concepts and Applicable Accounting Standards.

SIGNED AT SYDNEY this 16th day of March, 2012



LOI KAH TSIA, B.Com, F.C.A.
Chartered Accountant
Registered Company Auditor
Suite 201, 2nd Floor
309 Pitt Street
SYDNEY NSW 2000



FAIR WORK
AUSTRALIA

3 February 2012

Mr Scott Weber
President
Police Federation of Australia-New South Wales Police Branch

Peter.Remfrey@pansw.org.au

Dear Mr Weber,

**Lodgement of Financial Documents for year ended 31 December 2011 [FR2011/2823]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Police Federation of Australia-New South Wales Police Branch (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents. The full financial report must be lodged with Fair Work Australia within a period of 6 months and 14 days of the end of the financial year.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The attached *Timeline/Planner* summarises these requirements.

In addition, financial reporting fact sheets and sample documents can be found on our Fair Work Australia website. The information can be viewed at www.fwa.gov.au – under *Registered Organisations – Overview – Fact sheets*. This site also contains the Financial Reporting Guidelines.

This office encourages you to lodge all financial reports electronically (e.g. as pdf files) at orgs@fwa.gov.au. Alternatively, you can forward the documents by fax to (03) 9655 0410.

Please do not hesitate to contact me on (03) 8661 7764 or by email at kevin.donnellan@fwa.gov.au if you wish to discuss the requirements outlined in this correspondence.

Yours sincerely,

Kevin Donnellan
Organisations, Research & Advice
Fair Work Australia

TIMELINE/ PLANNER

Financial reporting period ending:	/ /
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Prepare financial statements and Operating Report.
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(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /
(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	

As soon as practicable after end of financial year

Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR
(NB: Auditor's report must be dated on or after date of Committee of Management Statement)*

Provide full report free of charge to members – s265 The full report includes:	/ /
<ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	

(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,

or

(b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year.*

Present full report to:	/ /
(a) General Meeting of Members - s266 (1),(2); OR	
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /

Within 6 months of end of financial year

Within 6 months of end of financial year

Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate** – s268	/ /
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Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.