
**NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008
ABN: 36 709 591 145**

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NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED

ABN: 36 709 591 145

COMMITTEE'S REPORT

Your committee members submit the financial report of the Northern Territory Police Association Incorporated for the financial year ended 30 June 2008.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Vince Kelly (President)
Andrew Smith (Senior Vice President – Retired 8th May 2008)
Tim Lloyd (Senior Vice President – Appointed 8th May 2008)
David Chalker (Vice President)
Daniel Bacon (Treasurer – Retired 1st April 2008)
Michael Ordelman (Treasurer – Appointed 1st April 2008)
Kylie Anderson
Owen Blackwell (Retired 7th December 2007)
Bindi Burnell (Appointed 8th May 2008)
David Cubis (Appointed 8th May 2008)
Shaun Gill (Appointed 16th May 2008)
Colin Goodsell
Lauren Hill
Steven Martin
Wayne Nayda (Retired 16th May 2008)
Sean Parnell
Hege Ronning-Burns
David Taylor (Appointed 11th January 2008)
Chris Wilson (Retired 8th May 2008)

Principal Activities

The principal activities of the association during the financial year were:

- to represent all members of the Northern Territory Police Force in securing better industrial outcomes from the Northern Territory Government; and
- to assist members with legal and welfare issues

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

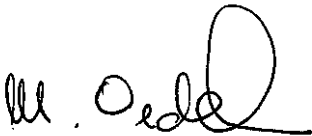
The profit after providing for income tax amounted to \$179,636.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
ABN: 36 709 591 145

COMMITTEE'S REPORT

Signed in accordance with a resolution of the Members of the Committee

Committee Member: 
Vince Kelly (President)

Committee Member: 
Michael Ordeman (Treasurer)

Dated this 29 day of July 2008

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
ABN: 36 709 591 145

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 \$	2007 \$
Revenue	2	1,271,982	1,020,269
Accountancy expenses		(44,560)	(34,368)
Advertising expenses		(10,498)	(2,618)
Auditors' remuneration	3	(9,091)	(9,000)
Commissions paid		-	(6,000)
Consent Agreement expenses		(51,735)	-
Death benefit scheme payouts		(100,000)	-
Depreciation and amortisation expenses		(18,651)	(18,589)
Employee benefits expenses		(358,101)	(285,460)
Insurance expenses		(70,441)	(73,753)
Legal expenses		(51,487)	(85,487)
NTPA annual conference		(50,994)	(49,306)
Raw materials and consumables used		(16,876)	(20,127)
Travel expenses		(106,230)	(69,485)
Other expenses		(203,682)	(148,596)
Profit before income tax	4	179,636	217,480
Retained earnings at the beginning of the financial year		1,480,797	1,263,317
Profit attributable to the association		1,660,433	1,480,797

The accompanying notes form part of these financial statements.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED

ABN: 36 709 591 145

**BALANCE SHEET
AS AT 30 JUNE 2008**

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,317,077	1,089,368
Trade and other receivables	6	18,973	12,771
Inventories	7	18,556	20,323
TOTAL CURRENT ASSETS		<u>1,354,606</u>	<u>1,122,462</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,672,102	1,117,002
TOTAL NON-CURRENT ASSETS		<u>1,672,102</u>	<u>1,117,002</u>
TOTAL ASSETS		<u>3,026,708</u>	<u>2,239,464</u>
CURRENT LIABILITIES			
Trade and other payables	9	90,237	37,204
Borrowings	10	4,360	944
Provisions	11	10,353	12,380
TOTAL CURRENT LIABILITIES		<u>104,950</u>	<u>50,528</u>
TOTAL LIABILITIES		<u>104,950</u>	<u>50,528</u>
NET ASSETS		<u>2,921,758</u>	<u>2,188,936</u>
EQUITY			
Reserves	12	1,261,325	708,139
Retained earnings		1,660,433	1,480,797
TOTAL EQUITY		<u>2,921,758</u>	<u>2,188,936</u>

The accompanying notes form part of these financial statements.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
ABN: 36 709 591 145

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Retained Earnings	Asset Revaluation Reserve	Total
		\$	\$	\$
Balance at 1 July 2006		1,263,317	378,139	1,641,456
Profit attributable to equity shareholders		217,480		217,480
Revaluation Increment			330,000	330,000
Balance at 30 June 2007		<u>1,480,797</u>	<u>708,139</u>	<u>2,188,936</u>
Profit attributable to equity shareholders		179,636		179,636
Revaluation Increment	12		553,186	553,186
Balance at 30 June 2008		<u>1,660,433</u>	<u>1,261,325</u>	<u>2,921,758</u>

The accompanying notes form part of these financial statements.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
ABN: 36 709 591 145

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1 Statement of Significant Accounting Policies

The financial report is for an entity known as Northern Territory Police Association Incorporated as an individual entity. The association was incorporated in the Northern Territory under the Associations Act.

Basis of Preparation

The financial report is a general purpose financial report and it has been prepared in accordance with Accounting Standards other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Act of the Northern Territory.

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 by the revaluation of financial assets, financial liabilities and selected non-current assets for which the fair value basis of accounting has been applied.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in-first-out basis.

Impairment of Assets

At each reporting date, 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 income statement.

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.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at fair value or cost less any accumulated depreciation and impairment losses, where applicable.

Property

Freehold land is valued by an independent valuation every three years, being the amount for which an asset could be exchanged in an arm's length transaction between informed participants. The building is measured on the cost basis less depreciation and impairment losses.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

Property (cont'd..)

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a diminishing value basis over their useful lives to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Buildings	2.5%
Plant and Equipment	2 - 40%

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 and losses are included in the revaluation reserve relating to that asset are transferred to retained earnings.

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the association are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Leases (cont'd..)

Leased assets are depreciated on a diminishing balance basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Financial Instruments

Held-to-Maturity Investments

These investments have fixed maturities, and it is the Association's intention to hold these investments to maturity. Any held-to-maturity investments held by the Association are stated at cost.

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 cost.

Financial Liabilities

Non-derivative financial liabilities (excluding guarantees) are subsequently measured at cost.

Impairment

The association assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. Impairment losses are recognised in the income statement.

Employee Benefits

Provision is made for the liability due to employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within one year have been measured at their nominal amount. Other 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 to employee superannuation funds and are charged as expenses when incurred. Contributions are made in accordance with the statutory requirements of each jurisdiction.

Provisions

Provisions are recognised when the association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Cash and Cash Equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less plus bank overdrafts. Bank overdrafts are shown on the balance sheet as current liabilities under borrowings.

Revenue

Revenue from the provision of membership subscriptions is recognised on a straight line basis for each month over the financial year.

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.

Revenue from the sale of goods is recognised at the point of delivery to the customer.

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

Legal Recoveries

The cost of providing legal advice to members is borne by the association initially. Subsequent to court outcomes, the association will seek reimbursements from the Northern Territory Government where appropriate.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and service tax, except:

- (i) where the amount of GST incurred is not recoverable from the Australian Tax Office. It is recognised as part of the cost of acquisition of an asset or as part of an item of the expense.
- (ii) receivables and payables 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.

Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Australian Accounting Standards or as a result of changes in accounting policy.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
2 Revenue		
Operating activities		
Sale of goods	12,084	17,318
Death benefit scheme payouts recovered	100,000	17,132
Interest received	75,892	55,126
Member subscriptions	1,065,294	912,743
Donations	309	70
Other revenue	18,403	17,880
Total revenue	1,271,982	1,020,269
3 Auditors' Remuneration		
Auditor's Remuneration		
Audit and review services	6,200	6,182
Other services	2,891	2,818
	9,091	9,000
4 Profit		
Expenses		
Cost of sales	16,876	20,127
Depreciation of property, plant and equipment	18,651	18,589
Finance costs - external	-	712
Rental expense - minimum lease repayments	11,469	13,156
5 Cash and Cash Equivalents		
Current		
Cash on hand	1,416	328
Cash at bank	117,566	80,551
Term deposits	1,198,095	1,008,489
	1,317,077	1,089,368

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
5 Cash and Cash Equivalents (cont'd..)		
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on hand	1,416	328
Cash at bank	117,566	80,551
Term deposits	1,198,095	1,008,489
Credit cards	(4,360)	(944)
	<u>1,312,717</u>	<u>1,088,424</u>
6 Trade and Other Receivables		
Current		
Trade debtors	781	796
Loans to members	18,158	11,975
Other debtors	34	-
	<u>18,973</u>	<u>12,771</u>
7 Inventories		
Current		
At cost:		
Merchandise	<u>18,556</u>	<u>20,323</u>
8 Property, Plant and Equipment		
LAND AND BUILDINGS		
Land at:		
Independent valuation - 2008	<u>1,413,186</u>	<u>860,000</u>
	<u>1,413,186</u>	<u>860,000</u>
Buildings at:		
At Cost	208,696	208,696
Less accumulated depreciation	(21,882)	(17,092)
Total Buildings	<u>186,814</u>	<u>191,604</u>
Total Land and Buildings	<u>1,600,000</u>	<u>1,051,604</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
8 Property, Plant and Equipment (cont'd..)		
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	111,616	107,812
Accumulated depreciation	(39,514)	(42,414)
Total Plant and Equipment	72,102	65,398
Total Property, Plant and Equipment	1,672,102	1,117,002

The Land was revalued on 30 June 2008 by Independent valuers. Valuations were made on the basis of open market value. The revaluation surplus was credited to the Asset Revaluation Reserve in Equity.

Movements in Carrying Amounts

Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year

	Land	Buildings	Plant & Equipment	Motor Vehicle	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	860,000	191,604	24,887	40,511	1,117,002
Additions	-	-	1,492	28,260	29,752
Disposals	-	-	(1,193)	(7,994)	(9,187)
Revaluation increments/(decrements)	553,186	-	-	-	553,186
Depreciation expense	-	(4,790)	(4,814)	(9,047)	(18,651)
Carrying amount at the end of the year	1,413,186	186,814	20,372	51,730	1,672,102

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
9 Trade and Other Payables		
Current		
Sundry Creditors	72,348	26,203
GST Payable	5,353	5,074
Amounts Withheld	12,536	5,927
	90,237	37,204
10 Borrowings		
Current		
Credit Cards	4,360	944
	4,360	944
11 Provisions		
Provision for Holiday Pay	10,353	12,380
Total provisions	10,353	12,380
Analysis of Total Provisions		
Current	10,353	12,380
	10,353	12,380
12 Reserves		
Asset Revaluation Reserve		
The asset revaluation reserve records revaluations of non-current assets		
13 Capital and Leasing Commitments		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable - minimum lease payments		
Not later than 12 months	14,600	21,703
Between 12 months and five years	19,814	43,406
	34,414	65,109

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
14 Cash Flow Information		
Reconciliation of net cash provided by operating activities to profit after income tax		
Operating profit (loss) after income tax	179,636	217,480
Non-cash flows in profit:		
Loss on sale of non-current assets	2,368	3,111
Depreciation	18,651	18,589
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase) Decrease in current inventories	1,767	1,549
(Increase) Decrease in current receivables	(6,202)	(1,104)
Increase (Decrease) in trade creditors	53,034	6,726
Increase (Decrease) in current provisions	(2,027)	(2,370)
	<u>247,227</u>	<u>243,981</u>

15 Financial Instruments

Financial Risk Management

The association's financial instruments consists primarily of deposits with banks, short-term investments, accounts receivable and payable and leases.

The association does not have any derivative instruments at 30 June 2008.

Credit Risk

At year end 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.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

2008
\$

2007
\$

15 Financial Instruments (cont'd.)

Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate on those financial assets and financial liabilities, is as follows:

2007	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing		Non Interest Bearing	Total
	%	\$	Within 1 Year	1 to 5 Years	\$	\$
Financial Assets						
Cash and cash equivalents	3.0	80,551	-	-	-	80,551
Short term deposits	6.2	-	1,008,489	-	-	1,008,489
Total Financial Assets		80,551	1,008,489	-	-	1,089,040
Financial Liabilities						
Bank loans and overdraft	13.7	944	-	-	-	944
Total Financial Liabilities		944	-	-	-	944
2008						
Financial Assets						
Cash and cash equivalents	3.0	117,566	-	-	-	117,566
Short term deposits	7.9	-	1,198,095	-	-	1,198,095
Total Financial Assets		117,566	1,198,095	-	-	1,315,661
Financial Liabilities						
Bank loans and overdraft	15.65	4,360	-	-	-	4,360
Total Financial Liabilities		4,360	-	-	-	4,360

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$

15 Financial Instruments (cont'd.)

Financial assets where the carrying amount exceeds net fair values have not been written down as the association 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.

16 Association Details

The principal place of business of the association is:

Northern Territory Police Association Inc.
5 Foelsche Street, Darwin NT 0800

17 Segment Reporting

The association operates predominantly in one business and geographical segment, being the provision of legal and welfare assistance to members of the Northern Territory Police Force

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
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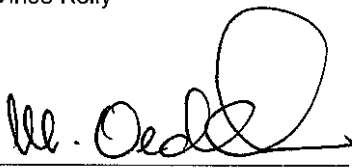
STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages 1 to 17:

1. Presents fairly the financial position of Northern Territory Police Association Incorporated as at 30 June 2008 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Northern Territory Police Association Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President: 
Vince Kelly

Treasurer: 
Michael Ordelman

Dated this 29 day of July 2008

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED

ABN: 36 709 591 145

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED**

Report on the Financial Report

We have audited the accompanying financial report of the Northern Territory Police Association Incorporation Inc (the Association) which comprises the balance sheet as at 30th June 2008 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error, in making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
ABN: 36 709 591 145
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED

Auditor's Opinion

In our opinion:

The financial report of Northern Territory Police Association Incorporated is in accordance with the Associations Act of the Northern Territory including:-

- i. giving a true and fair view of the Association's financial position as at 30th June 2008 and of their performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Act of the Northern Territory.

Walker Wayland SA
WALKER WAYLAND SA
Chartered Accountants

203 Fullarton Road,
Eastwood SA 5063

I.R. Brooks

I.R. Brooks
Partner
Member No. 22740
Registered Company Auditor, Reg. No. 5130

Dated: *1st August, 2008*

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
ABN: 36 709 591 145
COMPILATION REPORT TO NORTHERN TERRITORY POLICE ASSOCIATION
INCORPORATED

Scope:

On the basis of the information provided by the Committee of Management of Northern Territory Police Association Inc. we have compiled, in accordance with APS 9 Statement of Compilation of Financial Reports the special purpose financial report of Northern Territory Police Association Inc. for the year ended 30th June 2008 comprising the attached Income and Expenditure Statement set out on pages 22 and 23.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the Committee. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The Committee of Management is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Association's Constitution and are appropriate to meet the needs of the Committee of Management for the purposes of complying with the Association's Constitution.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided into a financial report. Our procedures do not include verification or validation of procedures. No audit or review has been performed and accordingly no assurance is expressed

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Association, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the Association and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

WALKER WAYLAND SA
Chartered Accountants

203 Fullarton Road,
Eastwood SA 5063



I.R. Brooks
Partner

Dated: *1st August, 2008.*

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED
ABN: 36 709 591 145

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
REVENUE		
Members Subscriptions	1,065,294	912,743
Police News	2,953	11,500
Donations	309	70
	1,068,556	924,313
OTHER REVENUE		
Interest Received	75,892	55,126
Recoveries	113,092	23,230
Other Revenue	2,357	282
Gross profit (loss) from trading	(4,791)	(2,809)
	186,550	75,829
Total revenue	1,255,106	1,000,142
EXPENDITURE		
Accountancy Fees	44,560	34,368
Advertising	10,498	2,618
Archiving	2,396	2,444
Auditor's Remuneration	9,091	9,000
Bank Charges	332	876
Cleaning	2,727	2,135
Commission Paid	-	6,000
Consent Agreement	51,735	-
Consultancy Fees	15,058	4,925
Conferences	51,986	52,242
Contractors	4,024	-
Death Benefits Paid	100,000	-
Depreciation - Buildings	4,790	4,913
Depreciation - Plant & Equipment	4,814	6,273
Depreciation - Motor Vehicles	9,047	7,403
Donations	11,504	14,256
Entertainment Expenses	16,485	13,110
Fees & Permits	1,554	570
Fringe Benefits Tax	3,763	3,764
Hire of Plant & Equipment	11,469	13,156
Holiday Pay	(2,027)	(2,369)
Insurance	70,441	73,753
Interest Paid	-	712

This Statement should be read in conjunction with the attached Compilation Report of Walker Wayland SA Chartered Accountants.

NORTHERN TERRITORY POLICE ASSOCIATION INCORPORATED

ABN: 36 709 591 145

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008**

	2008	2007
	\$	\$
Legal Costs	51,487	85,487
Light & Power	2,811	2,701
Loss on Disposal of Asset	2,368	3,392
Motor Vehicle Expenses	8,802	8,281
Postage	-	937
Police Museum	8,000	-
Printing & Stationery	29,582	9,944
Rates & Taxes	4,385	4,176
Recruitment costs	6,540	-
Repairs & Maintenance	25,910	12,125
Salaries & Wages	320,544	248,358
Staff Training & Welfare	3,762	7,033
Subscriptions	22,772	24,222
Sundry Expenses	519	-
Superannuation Contributions	35,822	32,438
Telephone	16,805	16,790
Travelling Expenses	106,230	69,485
Utilities	1,637	1,627
Waste Disposal	747	553
Workcover	2,500	4,964
Total expenses	<u>1,075,470</u>	<u>782,662</u>
Profit for the year	179,636	217,480
Retained earnings at the beginning of the financial year	<u>1,480,797</u>	<u>1,263,317</u>
Retained earnings at the end of the financial year	<u>1,660,433</u>	<u>1,480,797</u>

This Statement should be read in conjunction with the attached Compilation Report of Walker Wayland SA Chartered Accountants.

ELLIOTT, Mark

From: ELLIOTT, Mark
Sent: Tuesday, 11 August 2009 5:30 PM
To: 'Vince Kelly'
Subject: RE: PFA NT Police Branch s271 Fair Work (RO) Act y/e 30 June 2008 (FR2008/363)

Good afternoon Vince

Thank you for your email and the attachment.

Nothing else is required of the NT Police Branch of the Police Federation of Australia in relation to the Branch's financial reporting obligations, for the 30 June 2008 financial year, under the RAO Schedule to the former WR Act 1996. Further, given your email below there is no need to forward a hard copy or a covering letter. .

As noted in Mr Nassios' earlier correspondence, a copy of the Audited Statements for the NTPA Inc. for the 2007/2008 Financial Year shall be placed on the FWA webpage which deals with PFA NT Police Branch financial return matters.

Thank you for your cooperation and assistance.

Kind regards

MARK ELLIOTT
Tribunal Services and Organisations

Fair Work Australia
11 Exhibition St, Melbourne Victoria 3000
GPO Box 1994, Melbourne Victoria 3001

Telephone: (03) 8661 7811
International: (613) 8661 7811
Facsimile: (03) 9655 0410
Email: mark.elliott@fwa.gov.au

From: Vince Kelly [<mailto:vince.kelly@ntpa.com.au>]
Sent: Tuesday, 11 August 2009 2:52 PM
To: ELLIOTT, Mark
Cc: Rob Perry; Mark Burgess
Subject: PFA NT Police Branch s271 Fair Work (RO) Act y/e 30 June 2008 (FR2008/363)

Good Afternoon Mark

Please find attached the Audited Statements for the NTPA Inc. for the 2007/2008 Financial Year. Can you please advise if you require anything further or a hard copy with covering letter?

Regards

Vince Kelly
President
NT Police Association Inc.
Email: vkelly@ntpa.com.au
Mobile: 0417819342

Office: 0889818840
Facsimile: 0889816219
GPO Box 2350
Darwin NT 0800
Abn 36 709 591 145

ELLIOTT, Mark

From: Vince Kelly [vince.kelly@ntpa.com.au]
Sent: Tuesday, 11 August 2009 2:52 PM
To: ELLIOTT, Mark
Cc: Rob Perry; Mark Burgess
Subject: PFA NT Police Branch s271 Fair Work (RO) Act y/e 30 June 2008 (FR2008/363)
Attachments: NTPA Audit 2007-2008.pdf

Good Afternoon Mark

Please find attached the Audited Statements for the NTPA Inc. for the 2007/2008 Financial Year. Can you please advise if you require anything further or a hard copy with covering letter?

Regards

Vince Kelly
President
NT Police Association Inc.
Email: vkelly@ntpa.com.au
Mobile: 0417819342
Office: 0889818840
Facsimile: 0889816219
GPO Box 2350
Darwin NT 0800
Abn 36 709 591 145



Fair Work Australia

29 July 2009

Mr. Vince Kelly
President
Police Federation of Australia – Northern Territory Police Branch
P.O. Box 2350
DARWIN NT 0801

By email: admin@ntpa.com.au

Dear Mr. Kelly,

Re: Application for certificate of exemption from requirements of Chapter 8, Part 3, Fair Work (Registered Organisations) Act 2009 (FR2008/363)

I refer to your application dated 17 February 2009, under s271 of the then RAO Schedule, for an exemption from compliance with Part 3 of Chapter 8 of the Schedule¹ for the Northern Territory Police Branch in relation to the financial year ended 30 June 2008.

On 26 May 2009, I wrote to you in relation to the abovementioned application. After commenting that I had previously granted exemptions, under section 271, to the Northern Territory Police Branch on the basis that the reporting unit did not have any financial affairs, I noted that I have recently conducted a review with respect to all registered organisations regarding the circumstances under which an exemption should be granted. As stated in that correspondence, I am of the view that:

"under section 271, I must be satisfied that the reporting unit did not have any financial affairs in the financial year. In my view, that section is directed towards a state of affairs where there are no financial affairs of any kind ... This is to be distinguished from circumstances where the reporting unit does have some (albeit limited) financial activity but has chosen to contract out that activity, or management of that activity, to another party. "

I then expressed the preliminary view that I must refuse to grant the application on the basis that the Branch had financial affairs during the financial year. It appeared to me that Federal Rule 7(c) imposed a series of financial obligations on the Northern Territory Police Branch to the National Office of the Police Federation of Australia. Given the relevant provisions of Federal Rules 34 and 35 and Northern Territory Police Branch Rule 52DB, the recurring obligations created by Federal Rule 7(c) must be met by the Northern Territory Police Branch. The Branch was obliged to ensure the timely payment of capitation fees to the National Office and therefore it had liabilities to account for notwithstanding any arrangement to extinguish such liabilities through the actions of some other body. As a consequence, the Branch has financial affairs during the financial year.

By correspondence dated 28 May 2009, additional material was provided for my consideration.

I note your statement in that correspondence that:

“The PFA has recently considered this issue and has drafted a proposed amendment to Rules 7 and 8 of its rules (Subscriptions and Levies) in terms of the attached document. Your attention is drawn particularly to the start of Rule 7(c) and the proposed new subrules (e) and (d).

It is our belief that the amendments, which are to be endorsed at a special Federal Council meeting of the PFA on 18 June 2009, will address the concerns you have expressed over the status of the NT Branch of the PFA's financial circumstances and so allow you to favourably consider this Branch's application for a Certificate of Exemption”

Alterations to Federal Rules 7 and 8 of the rules of the Police Federation of Australia were lodged in Fair Work Australia on 20 July 2009 and were certified on 22 July 2009ⁱⁱ. Those alterations provide a mechanism whereby, in certain circumstances, the Northern Territory Police Branch will have no liabilities to account for because no financial obligations will be imposed on the Branch under the rules of the Police Federation of Australia.

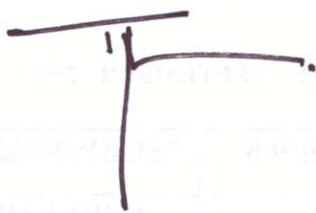
In determining the application for an exemption under RAO section 271, I have considered all of the circumstances and all of the information and material that you have provided.

For the reasons given in my correspondence of 26 May 2009, it cannot be said that the Northern Territory Police Branch of the Police Federation of Australia did not have any financial affairs during the financial year ended 30 June 2008. This is so notwithstanding the recent alterations to the Federal Rules of the Police Federation of Australia, because those alterations did not take effect until they were certified on 22 July 2009ⁱⁱⁱ.

Therefore, I refuse your application, under section 271, for an exemption from the financial reporting requirements of Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* for the financial year ended 30 June 2008. However, given the circumstances, if the Associated Body lodges in the Industrial Registry a copy of its 30 June 2008 financial report so that material can be placed on the public file of the Branch, no further action shall be taken in relation to the obligations imposed by Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* so far as they concern the Northern Territory Police Branch of the Police Federation of Australia for the year ended 30 June 2008.

Should you wish to discuss this correspondence, please contact Mark Elliott by email to mark.elliott@fwa.gov.au or by telephone on (03) 8661 7811.

Yours sincerely



Terry Nassios
Delegate to the General Manager
Fair Work Australia

ⁱ Now Part 3 Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*

ⁱⁱ R2009/10011; [2009] FWAD 35, PR987982

ⁱⁱⁱ See subsection 205(1) of the *Fair Work (Registered Organisations) Act 2009*

ELLIOTT, Mark

From: ELLIOTT, Mark
Sent: Wednesday, 29 July 2009 10:44 AM
To: 'admin@ntpa.com.au'
Subject: PFA NT Police Branch s271 Fair Work (RO) Act y/e 30 June 2008 (FR2008/363)
Attachments: FR2008_363_FWA_final_reponse.pdf

Dear Mr. Kelly,

I refer to the Northern Territory Police Branch application, under s271 of the then RAO Schedule, for an exemption from compliance with the financial reporting requirements of the Schedule for the financial year ended 30 June 2008.

Please find attached correspondence in relation to the application from a Delegate to the General Manager of Fair Work Australia.

Please contact me should you wish to discuss this correspondence.

Kind regards,

MARK ELLIOTT
Tribunal Services and Organisations

Fair Work Australia
11 Exhibition St, Melbourne Victoria 3000
GPO Box 1994, Melbourne Victoria 3001

Telephone: (03) 8661 7811
International: (613) 8661 7811
Facsimile: (03) 9655 0410
Email: mark.elliott@fwa.gov.au



Northern Territory Police Association Incorporated

28 May 2009

Our Ref: 0007/09

Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

ATTENTION: DEPUTY REGISTRAR TERRY NASSIOS

Dear Sir,

APPLICATION FOR CERTIFICATE OF EXEMPTION FROM REQUIREMENTS OF CHAPTER 8, PART 3, SCHEDULE 1 OF THE WORKPLACE RELATIONS ACT 1996 (FR 2008/363)

I refer to your letter of 26 May 2009 expressing concern over our request for a Certificate of Exemption from compliance with Part 3 of Chapter 8 of the Schedule on the basis that the Northern Territory Branch of the Police Federation of Australia ("the PFA") did not have any financial affairs during the reporting period.

You correctly point out that the application for exemption was based on similar past decisions. That said, we note your concerns and accept your recent interpretation of the application of section 271 of the RAO Schedule.

The PFA has recently considered this issue and has drafted a proposed amendment to Rules 7 and 8 of its rules (Subscriptions and Levies) in terms of the attached document. Your attention is drawn particularly to the start of Rule 7(c) and the proposed new sub-rules (e) and (d).

It is our belief that the amendments, which are to be endorsed at a special Federal Council meeting of the PFA on 18 June 2009, will address the concerns you have expressed over the status of the NT Branch of the PFA's financial circumstances and so allow you to favourably consider this Branch's application for a Certificate of Exemption.

I ask that if the proposed rule change does not fully alleviate your concerns in this matter you contact both Mr Mark Burgess of the Police Federation of Australia and myself with details of your on-going concerns, so that they may be addressed fully and to the satisfaction of the AIR.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'V. Kelly'.

Vince Kelly
President

7 - SUBSCRIPTIONS

- (a) Annual subscriptions shall be collected by the Committee of the Branch to which the Member is attached, or if he/she be not attached to a Branch, collected by and paid to the Chief Executive Officer.
- (b) Annual subscriptions paid by members shall be paid in accordance with the relevant Branch Rules.
- (c) Subject to Rule 7(e) on and from 31 December 1999, each Branch shall remit in monthly instalments to the Chief Executive Officer of the Federation for Federation purposes an amount calculated by multiplying the number of financial members of the Branch as at 31 December in the previous year by the capitation fee fixed by Federal Council in accordance with Rule 15(o). That capitation fee fixed by the Federal Council shall be the same fee for each and every member of the Federation excepting where a Branch agrees that a higher capitation fee shall apply for each member in the Branch.
- (d) All monies payable to the Federation shall be paid to the Chief Executive Officer who shall, within seven days of their receipt, place them, or cause them to be placed to the credit of the Federation at such financial institutions as the Federal Executive or Federal Council may from time to time determine.
- (e) From the certification of Rules 7(e) and 7(f), payment of the amount calculated under Rule 7(c) by the State or Territory Union shall constitute payment in full of that amount by the respective Branch for all purposes of the Federal Rules.
- (f) For the purposes of Rule 7, "the State or Territory Union" shall mean any of the following: the Queensland Police Union, the Police Association of New South Wales, the Police Association Victoria, the Police Association of Tasmania, the Police Association of South Australia, the Northern Territory Police Association and the Western Australia Police union of Workers.

8 - LEVIES

- (a) (i) The Federal Council shall have power to impose levies upon the Branches provided that such levies may only be imposed by a resolution passed by a two-thirds majority of the Federal Council delegates, and a resolution passed by a two-thirds majority of each of the Branch Executives.
- (ii) Subject to Rule 8(e), levies under Rule 8, shall be collected by, and paid by the Committee of the Branch. Each Branch shall cause the amount of such levies collected by it to be paid to the Chief Executive Officer within three months of such levy becoming due, and thereafter shall pay to the Chief Executive Officer, the amount of such levies monthly.
- (b) Nothing in this rule shall empower the Federal Council to impose a levy upon a Branch which would have the effect of requiring the Branch to pay moneys to the Federal Council greater than those moneys received from the appropriate State/Territory Union in accordance with the Deed of Agreement between the Federation and State and Territory Unions executed on 9 October 1997.

- (c) Nothing in this rule shall permit the Federal Council to impose a levy on individual members.
- (d) For the purposes of this rule, a levy shall be the requirement to pay monies in addition to membership subscriptions and fees.
- (e) From the certification of Rules 8(e) and 8(f), payment of an amount under Rule 8(a) by the State or Territory Union shall constitute payment in full of that amount by the respective Branch.
- (f) For the purposes of Rule 8, "the State or Territory Union" shall mean any of the following: the Queensland Police Union, the Police Association of New South Wales, the Police Association Victoria, the Police Association of Tasmania, the Police Association of South Australia, the Northern Territory Police Association and the Western Australia Police union of Workers.





Australian Government
Australian Industrial Registry

26 May 2009

Mr. Vince Kelly
President
Police Federation of Australia – Northern Territory Police Branch
G.P.O. Box 2350
DARWIN NT 0801

By email: admin@ntpa.com.au

Dear Mr. Kelly,

**Re: Application for certificate of exemption from requirements of Chapter 8, Part 3, Schedule 1
of the Workplace Relations Act 1996 (FR 2008/363)**

I refer to your application dated 17 February 2009, under s271 of the RAO Schedule, for an exemption from compliance with Part 3 of Chapter 8 of the Schedule for the Northern Territory Police Branch in relation to the financial year ended 30 June 2008. I apologise for the delay in responding to your application.

In the past I have granted exemptions under section 271 to the Northern Territory Police Branch on the basis that the reporting unit did not have any financial affairs.

I have, however, recently conducted a review with respect to all registered organisations regarding the circumstances under which an exemption should be granted under section 271 of the RAO Schedule. Under section 271, I must be satisfied that the reporting unit did not have any financial affairs in the financial year. In my view, that section is directed towards a state of affairs where there are no financial affairs of any kind. Such a state of affairs may arise for instance, where under the rules of the organisation the reporting entity earns no interest, rent or dividend income because it neither owns nor controls any assets, earns no income from membership subscriptions because all subscriptions are paid to the National Office of the organisation, does not receive sustentation fees and expends no monies because all expenses incurred in connection with the Branch's operations are paid directly by the National Office out of its funds. This is to be distinguished from circumstances where the reporting unit does have some (albeit limited) financial activity but has chosen to contract out that activity, or management of that activity, out to another party. In the latter type of situation, it would not be accurate to say that the reporting unit has no financial affairs of any kind.

Looking to the information that has been provided to me regarding the financial affairs of the Northern Territory Police Branch, the following suggests to me that the Branch does have financial affairs. At paragraph 9 of the application, the Branch states that the only financial concern of the Branch relates to the payment of capitation fees by the Branch to the Federal Fund (Rule 7) and further states that this is paid by the Associated Body in accordance with Rule 7A.

I note that the Branch asserts of the facts relied on it its application:

“The Branch in all other aspects carries out its functions as set out in the Objects of the Federation (Rule 4). In particular, the Officers of the Associated Body are the officers elected by the Branch in accordance with the Branch Rules and the Federal Rules. The Branch Executive meets monthly and regulates the affairs of the Branch in a thorough and consistent manner.”

The Federal Rules of the Police Federation of Australia state, inter alia:

“7 - SUBSCRIPTIONS

...

- (c) On and from 31 December 1999, **each Branch shall remit in monthly instalments to the Chief Executive Officer of the Federation for Federation purposes an amount calculated by multiplying the number of financial members of the Branch as at 31 December in the previous year by the capitation fee fixed by Federal Council in accordance with Rule 15(o). That capitation fee fixed by the Federal Council shall be the same fee for each and every member of the Federation excepting where a Branch agrees that a higher capitation fee shall apply for each member in the Branch.***

...

34 - BRANCHES

- (a) The Federation shall consist of members throughout Australia, and the following shall be the Branches of The Federation :*
- Northern Territory Police Branch*

...

35 - BRANCH AUTONOMY

- (a) Any Branch so established shall be completely and absolutely autonomous in matters affecting members of that Branch or its property and funds and shall be responsible for its own government and administration. It shall possess full and adequate powers to conduct its own affairs and to seek its objectives under the Rules. The control of the Branch shall reside exclusively in the members of the Branch... “(my emphasis)*

and Northern Territory Police Branch Rule 52DB states, inter alia,

“(1) The Branch Executive shall, subject to these Rules and to the control of the Branch members as hereinafter mentioned, have power:

- (a) to transact all of the business of the Branch*
- (b) to supervise and pay all lawful debts of the Branch; ... ”*

It appears that, by its existence, Federal Rule 7(c) imposes a series of financial obligations on the Northern Territory Police Branch to the National Office of the Police Federation of Australia. Given the relevant provisions of Federal Rules 34 and 35 and Northern Territory Police Branch Rule 52DB, the recurring obligations created by Federal Rule 7(c) must be met by the Northern Territory Police Branch. The Branch is obliged to ensure the timely payment of capitation fees to the National Office and therefore it has liabilities to account for notwithstanding any arrangement to extinguish such

liabilities through the actions of some other body. If this is so, then the Branch has financial affairs during the financial year.

For completeness, the following other provisions of the Federal Rules of the Police Federation of Australia warrant comment in the circumstances:

"6B - ARRANGEMENTS BETWEEN THE FEDERATION AND STATE/TERRITORY UNIONS

The National Executive of the Federation may enter into an agreement with each State/Territory Union regarding arrangements between the Federation and the State/Territory Unions.

7 - SUBSCRIPTIONS

(a) Annual subscriptions shall be collected by the Committee of the Branch to which the Member is attached, or if he/she be not attached to a Branch, collected by and paid to the Chief Executive Officer.

(b) Annual subscriptions paid by members shall be paid in accordance with the relevant Branch Rules.

...

(d) All monies payable to the Federation shall be paid to the Chief Executive

7A - SPECIAL RULE FOR SUBSCRIPTIONS

Notwithstanding the provisions of Rule 7 the payment by an eligible person to a State/Territory Union of the prescribed membership contribution or subscription under the rules of the respective State/Territory Union shall during the continuation of payments under Rule 7(c) constitute payment in full of the membership contributions and fees to the Federation.

7B - SPECIAL RULE FOR UNFINANCIAL MEMBERSHIP

An eligible person who is unfinancial under the rules of the respective State/Territory Union shall be an unfinancial member of the Federation unless such contributions or subscriptions referred to in Rule 7A or levies have been paid to the State/Territory Union or payment is made in full of the subscriptions required by the Federation."

First, assuming that an agreement has been entered into between the Police Federation of Australia and the Northern Territory Police Association, Rule 6B is not sufficient, of itself, to relieve the Northern Territory Branch of its obligations under Federal Rule 7(c).

Secondly, Federal Rules 7A and 7B do not relieve the Branch of its obligation under Federal Rule 7(c). Rule 7A provides an alternate mechanism by which certain members of the Police Federation of Australia may satisfy their obligation to the Federation under Rule 7(a). Rule 7B provides that ultimately a member must make contributions to either the Federation or the respective State/Territory Union if they wish to avoid unfinanciality.

On the basis of the foregoing, the relevant arrangement between the Branch and the Northern Territory Police Association can only be a contractual one, performed under an instrument such as a contract or a Memorandum of Understanding. In my view it is not possible for a reporting unit to avoid its financial obligations under the RAO Schedule by contracting them out to a separate entity, whether an "associated body" or a third party. Ultimately, the Branch remains responsible and accountable for the management of its financial affairs.

On the basis of the information presently before me, my preliminary view is that I must refuse to grant the application, under RAO section 271, for an exemption from the financial reporting requirements of Part 3 of Chapter 8 of the RAO Schedule for the financial year ended 30 June 2008.

As I noted above, I have in the past granted RAO section 271 applications made by the Northern Territory Police Branch of the Police Federation of Australia. On its face, the information contained in the present application is the same as that contained in applications granted before my review. I therefore invite you to provide any further material which you consider may be relevant to the present application. Such material must be lodged in the Industrial Registry by the close of business on Friday, 12 June 2009. I will then determine the application on the basis of all the material that is before me.

If I ultimately refuse the application, the Northern Territory Police Branch of the Police Federation of Australia would then have financial reporting obligations under Chapter 8 of the RAO Schedule, whether or not another entity is undertaking its financial affairs. It would therefore be necessary for the Branch to prepare, distribute, present and lodge 30 June 2008 accounts, statements and reports with the Industrial Registry in accordance with the RAO Schedule. I note that certain timescale requirements would not be able to be complied with.

Should you wish to discuss this correspondence you are requested to contact Mark Elliott on 03 8661 7811 or at mark.elliott@airc.gov.au.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Terry Nassios', with a vertical line extending downwards from the end of the signature.

Terry Nassios
Deputy Industrial Registrar

ELLIOTT, Mark

From: ELLIOTT, Mark
Sent: Tuesday, 26 May 2009 1:24 PM
To: 'admin@ntpa.com.au'
Subject: FR2009/363 - PFA NT Police Branch Financial reporting (WRA RAO (Cth) s271)
Attachments: FR2008_363_26may09_letter_to_PFA.pdf

Mr Kelly,

I refer to the abovementioned application by the Northern Territory Police Branch of the Police Federation of Australia.

Please find attached correspondence from the Deputy Industrial Registrar in relation to that application.

Please contact me by return email or by telephone on 03 8661 7811 should you wish to discuss the matter.

Kind regards,

MARK ELLIOTT
Statutory Services Branch

Australian Industrial Relations Commission
11 Exhibition St, Melbourne Victoria 3000
GPO Box 1994, Melbourne Victoria 3001

Telephone: (03) 8661 7811
International: (613) 8661 7811
Facsimile: (03) 9655 0410
Email: mark.elliott@airc.gov.au



Northern Territory Police Association Incorporated

17 February 2009

Federal Industrial Registrar
Australian Industrial Registry
GPO Box 1994
Melbourne Vic 3001

VIA EMAIL: larry.powell@airc.gov.au

ATTENTION: Mr Larry Powell

Dear Sir,

**RE: Financial Reports for Year Ending 30 June 2008 – FR2008/363
Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)
- S.271 Application for Exemption Certificate**

I, Vincent Michael KELLY, President of the Northern Territory Police Branch of the Police Federation of Australia, an authorised officer under the Rules to act on behalf of the Branch and in consideration of s.271 of Schedule 1 of the *Workplace Relations Act* ("the Act") hereby apply for a Certificate to exempt the Branch from the requirements of the Act relating to financial matters occurring in the year ended 30 June 2008.

I apologise for the delay in the filing of this application and seek the indulgence of the Registrar to extend the 90 day time period from the end of the financial year to which the application relates in accordance with s.271(3) of the Schedule. I also refer to your letter dated 17 February 2009 in this regard.

I make the following statements in support of the application for the Certificate of Exemption:

1. The Branch does not expend economic resources or incur any financial obligations to conduct its activities and does not carry out any trade or engage in any financial transactions of any kind;
2. The Branch does not have an account with a bank or any other financial institution nor does it have custody of any real property, moneys or other assets;
3. The Branch accordingly has no reason to keep accounting records;

4. The reason that the Branch does not trade or engage in financial transactions is because of the relationship between the Branch and another body corporate known as the Northern Territory Police Association (the "Associated Body"), referred to in Rules 6 and 6A and the membership application form at Annexure "A" of the Rules of the Police Federation of Australia ("the Rules").
5. The Associated Body was incorporated on 22 October 1979.
6. The Branch was not formed until 31 December 1997 when the Police Federation of Australia was registered as an organisation.
7. The Associated Body expends economic resources and incurs financial obligations, including the collection of membership fees, the payment of accounts for expenses incurred in carrying out regular business (such as the production of a journal), operates a bank account, has leased and/or owned property and office machinery and employs and pays wages of employees.
8. The Membership of the Branch and the Associated Body are identical and indistinguishable. No member of the Branch is ineligible for membership of the Associated Body. No prospective member has applied to be a member of the Branch and not also a member of the Associated Body.
9. The only financial concern of the Branch relates to the payment of capitation fees by the Branch to the Federal Fund pursuant to Rule 7 of the Rules but this is paid by the Associated Body in accordance with Rule 7A of the Rules.
10. The Branch in all other aspects carries out its functions as set out in the Objects of the Federation (Rule 4). In particular, the Officers of the Associated Body are the officers elected by the Branch in accordance with the Branch Rules and the Federal Rules. The Branch Executive meets monthly and regulates the affairs of the Branch in a thorough and consistent manner.

Please do not hesitate to contact me should you have any queries in relation to this application.

Yours Sincerely,


Vince Kelly
President





Australian Government
Australian Industrial Registry

17 February 2009

Mr Vince Kelly
President
Police Federation of Australia
Northern Territory Police Branch

admin@ntpa.com.au

Dear Mr Kelly

**Lodgement of Financial Documents for year ended 30 June 2008 [FR2008/363]
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

The RAO Schedule requires the Police Federation of Australia, Northern Territory Police Branch to lodge audited financial accounts and statements with the Registry within 6 months and 14 days of the end of its financial year.

The Registry has no record of lodgement of financial documents for year ended **30 June 2008**, which should have been lodged with the Registry by **14 January 2009**.

In order to avoid exposure to a civil (pecuniary) penalty, you are required to lodge the following documents without further delay:

- A *general purpose financial report* (see section 253(2)(a) of the RAO Schedule);
- A *Committee of Management statement* (see the Registrar's Guidelines);
- An *operating report* (see section 254(2));
- An *auditor's report* (see sections 257(5) to 257(11)); and
- A *certificate of the secretary or other authorised officer* (see section 268)).

I note for your information, that the general purpose financial report must be prepared in accordance with not only the applicable Australian Accounting Standards but also the Registrar's Reporting Guidelines. A copy of the Guidelines is available on our website (details of which are provided below).

The RAO Schedule sets out a particular chronological order in which these documents and statements must be prepared, made available to members and presented to a meeting. All of these events must occur within timeframes that are also specified in the RAO Schedule. Detailed information can be found on our website at <http://www.airc.gov.au/registered/FR/information.htm>, including:

- Fact sheets – the following fact sheets provide information regarding financial reporting:
 - Sheet 6 – Accounting, Auditing and Reporting Obligations;
 - Sheet 7 – Information Needs of Members;
 - Sheet 8 – Financial Reporting Process and Time Limits;
 - Sheet 9 – Diagrammatic Summary of Financial Reporting Process and Time Limits; and
 - Sheet 10 – Auditors.
- Sample Documents – a sample Committee of Management Statement and Designated Officer's Certificate is available;
- RAO Schedule and RAO Regulations;

- Registrar's Reporting Guidelines – the Guidelines set out requirements that must be met *in addition to* those required by Australian Accounting Standards; and
- Document Checklist and Timeline Planner to assist with meeting timeframes.

In the absence of lodgement of the outstanding documents, I request that you state in writing by **10 March 2009**:

- whether a Committee of Management statement and Operating Report have been prepared;
- whether the auditor has audited the general purpose financial report and, if so, the date upon which the auditor signed the audit report;
- whether (and, if so, when) members have been provided with the full report. The 'full report' is made up of the general purpose financial report (including the Committee of Management statement), the auditor's report and the operating report;
- if it has been provided to members, whether the full report has also been presented to a general meeting or committee of management meeting and, if so, when; and
- when a copy of the full report will be lodged with the Industrial Registry.

I draw your attention to the civil penalty provisions of the RAO Schedule [see section 305(2)(ze)] which allow the Federal Court to impose a pecuniary penalty upon a person or organisation where the requirements of section 268 have not been met. You should also be aware of the provisions of Part 1 of Chapter 9 of the RAO Schedule which set out general duties of officers and employees of organisations and their branches in relation to financial management.

The Registry strongly encourages you to lodge documents electronically by sending an email with the documents attached to orgs@airc.gov.au. Alternatively, you can send the documents by fax to (03) 9655 0410.

Yours sincerely,



Larry Powell
Statutory Services Branch



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7764
Fax: (03) 9655 0410
Email: kevin.donnellan@air.gov.au

Ref: FR2008/363-[200V-NTPB]

Mr Vince Kelly
President
Police Federation of Australia-Northern Territory Police Branch
PO Box 2350
DARWIN NT 0801

Dear Mr Kelly

Re: Financial Return - year ending 30 June, 2008
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed reporting unit under the *Workplace Relations Act 1996* ('the Act') for the financial year ended 30 June, 2008.

The legislative scheme set out in Chapter 8, Part 3 of the RAO Schedule is directed at ensuring that a registered organisation or a branch of such an organisation discharges obligations of accountability to its members in relation to its financial affairs through proper and regular disclosure of financial information. The various steps of the financial reporting requirements must be carried out within the time-scales prescribed by the legislation so as to ensure the relevance of the financial information provided to the members. A copy of the time-scale provisions is attached for your information.

Now that the financial year has ended, it is timely that you put in train the various steps of the financial reporting requirements. We recommend you and your accountant/auditor refer to the following documents on the Commission's website where a new site has been created dealing with:

- RAO Fact sheets - These Fact Sheets explain the requirements of the RAO Schedule - many of them deal with financial reporting matters.
- Financial Reporting Sample Documents – Sample Committee of Management's Statement, Designated Officer's Certificate and checklists for illustrative purposes.
- Registrar's Reporting Guidelines - The GPFR must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- RAO Schedule and RAO Regulations

You can access these documents at: <http://www.airc.gov.au/registered/FR/information.htm>.

The Registry strongly encourages your organisation to lodge documents electronically by either:

- Sending an email with the documents attached to: orgs@air.gov.au
- Sending the documents by fax to: (03) 9655 0410

We encourage you to contact the Registry on (03) 8661 7764 or by e-mail at kevin.donnellan@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedures but we cannot give you legal or accounting advice.

Yours sincerely

Kevin Donnellan

Statutory Services Branch

6 August 2008

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
(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.	/ /	As soon as practicable after end of financial year
(b) The Designated Officer must sign and date the Committee of Management Statement which is then forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).		
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	Within a reasonable time of having received the GPFR (NB: Auditor's report <u>must</u> be dated on or after date of Committee of Management Statement)
Provide full report free of charge to members – s265 The full report includes:	/ /	(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	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report in the Industrial Registry, together with the Designated Officer's certificate – s268 #	/ /	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 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 certificate stating 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. A non-elected official is not allowed to sign the certificate.

ELLIOTT, Mark

From: DONNELLAN, Kevin
Sent: Wednesday, 6 August 2008 3:39 PM
To: 'admin@ntpa.com.au'
Subject: Financial Reporting Matter # FR2008/363 Allocated (First Reminder)

Attachments: FR2008363.pdf



FR2008363.pdf (65
KB)

Matter # - FR2008/363

Matter Type - s.268 RAO Schedule - Financial return Short Title - Financial Reporting
matter re: 200V-NTPB Police Federation of Australia-Northern Territory Police Branch
Allocated From - None

Email Address: admin@ntpa.com.au
Fax Number: (08) 8981 6219
Postal Address: (below)
PO Box 2350
DARWIN NT 0801