



FairWork
Commission

9 August 2016

Mr Ron Iddles
Chief Executive Officer
Police Federation of Australia, Victoria Police Branch
1 Clarendon Street
EAST MELBOURNE VIC 3002

via email: general@tpav.org.au

Dear Mr Iddles

Section 271 application for exemption from the financial reporting obligations of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 for financial year ended 30 June 2016 (FR2016/275)

I refer to your application pursuant to s271 of the *Fair Work (Registered Organisations) Act 2009* (RO Act), lodged in the Fair Work Commission (FWC) on 3 August 2016 in respect of the Victoria Police Branch of the Police Federation of Australia (PFA Vic) for the financial year ended 30 June 2016.

Having taken into account and relying upon the particulars you provided in your application and the declarations you made associated with that application, I am satisfied that the PFA Vic is a reporting unit and that it did not have any financial affairs in the financial year which ended 30 June 2016. The attached certificate reflects this decision.

If you wish to discuss this matter, please contact Ms Joanne Fenwick on 03) 8656 4681 or by email to joanne.fenwick@fwc.gov.au.

Yours sincerely

Chris Enright
Director
Regulatory Compliance Branch



CERTIFICATE

Fair Work (Registered Organisations) Act 2009

s.271 - Reporting unit's exemption from requirements of Chapter 8, Part 3

Police Federation of Australia – Victoria Police Branch
(FR2016/275)

MR ENRIGHT

MELBOURNE, 9 AUGUST 2016

Certificate of exemption from the requirements of Chapter 8, Part 3 of the Fair Work (Registered Organisations) Act 2009

[1] On 3 August 2016 an application was made under s 271 (1) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the Victoria Police Branch of the Police Federation of Australia for a certificate of exemption in respect of the financial year ended 30 June 2016.

[2] I am satisfied that the applicant is a reporting unit that does not have any financial affairs in respect of the financial year which ended 30 June 2016.



DELEGATE OF THE GENERAL MANAGER

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The Police Association

UPHOLDING OUR RIGHTS SINCE 1917

Our ref: 21588s.012

28 July 2016

Mr Sam Gallichio
Adviser
Regulatory Compliance Branch
Fair Work Commission
GPO Box 1994
MELBOURNE 3001

Dear Mr Gallichio

**Re: Application for Exemption (Section 271(1)) - [FR2016/276]
Lodgement of Financial Documents for year ended 30 June 2016**

Thank you for your courtesy reminder letter dated 15 July 2016 about preparing and processing the financial reports for the Police Federation of Australia Victoria Police Branch ("the Branch"), as required by the *Fair Work (Registered Organisations) Act 2009* ("the Act").

In accordance with the Police Federation of Australia, Victoria Police Branch Rules, as Chief Executive Officer (Secretary), I am authorised to act on behalf of the Branch.

Pursuant to section 271 of the Act, we 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 2016.

In support of the application I state the following:

1. The Branch does not trade or carry out 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 or moneys.
3. The Branch accordingly has no reason to keep accounting records.
4. The reason that the Branch does not trade is because of the relationship between the Branch and the Associated Body, i.e. The Police Association ("the Association"), referred to in Rules 6A, 6B and the membership application form at Annexure "A" of the Federal Rules of the Police Federation of Australia.
5. The Associated Body was incorporated on 31 March 1947.
6. The Branch was not formed until 31 December 1997 when the Police Federation of Australia was registered as an organisation.

7. Since inception, the Associated Body has carried out financial transactions 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), has operated a bank account, has leased and/or owned property and office machinery, has made donations exceeding \$1,000, has employed and paid wages of employees.
8. 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 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. Officers of the Branch act for and appear for members in the Fair Work Commission.
10. The Association as the Associated Body is the representative industrial organisation for the vast majority of Victoria Police members (total full financial members as of 31 December 2015 is 14,683).
11. The Association is a registered company under the Corporations Act and is subject to the scrutiny of the Australian Securities and Investments Commission ("ASIC"), with an annual requirement to provide a fully audited general purpose financial report for the preceding 12 month period (last reported period 1 July 2015 to 30 June 2016).
12. This process involves a full audit of the Association's financial affairs carried out by a second tier accounting firm, Nexia Australia, who are appointed as auditors of the Association at each annual general meeting held in September.
13. The audit carried out by Nexia Australia is presented to the Director's meeting in August of each year and will then published on the Association's website (www.tpav.org.au) which is freely available for all members to view.
14. The financial report will be presented to members at the annual general meeting of the Association to be held on Thursday 8 September 2016.
15. The Association is required to lodge the 2015/2016 financial report with ASIC in accordance with the Corporations Act 2001.
16. 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 Police Federation Rules. This fee is paid by the Associated Body in accordance with Rule 7(e) of the Rules.

Enclosed is the signed statement of loans, grants and donations for the Branch which shows a Nil return.

We respectfully request that you further consider the aforementioned matters and provide an exemption from the requirements.

If you have any queries regarding this matter, please contact Ms Sylvia Loveless, Administration Manager on 9468 2600.

Yours sincerely



RON IDDLES, AOM, APM
Chief Executive Officer

ambition
commitment
support



15 July 2016

Mr Ron Iddles
Branch Secretary
Police Federation of Australia-Victoria Police Branch
By email: general@tpav.org.au

Dear Mr Iddles,

**Re: Lodgement of Financial Report - [FR2016/275]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Police Federation of Australia-Victoria Police Branch (the reporting unit) ended on 30 June 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

Timelines

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. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets, guidance notes and model statements

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

Loans, grants and donations: our focus this year

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing orgs@fwc.gov.au.

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Civil penalties may apply

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Contact

Should you wish to seek any clarification in relation to the above, email orgs@fwc.gov.au.

Yours sincerely,

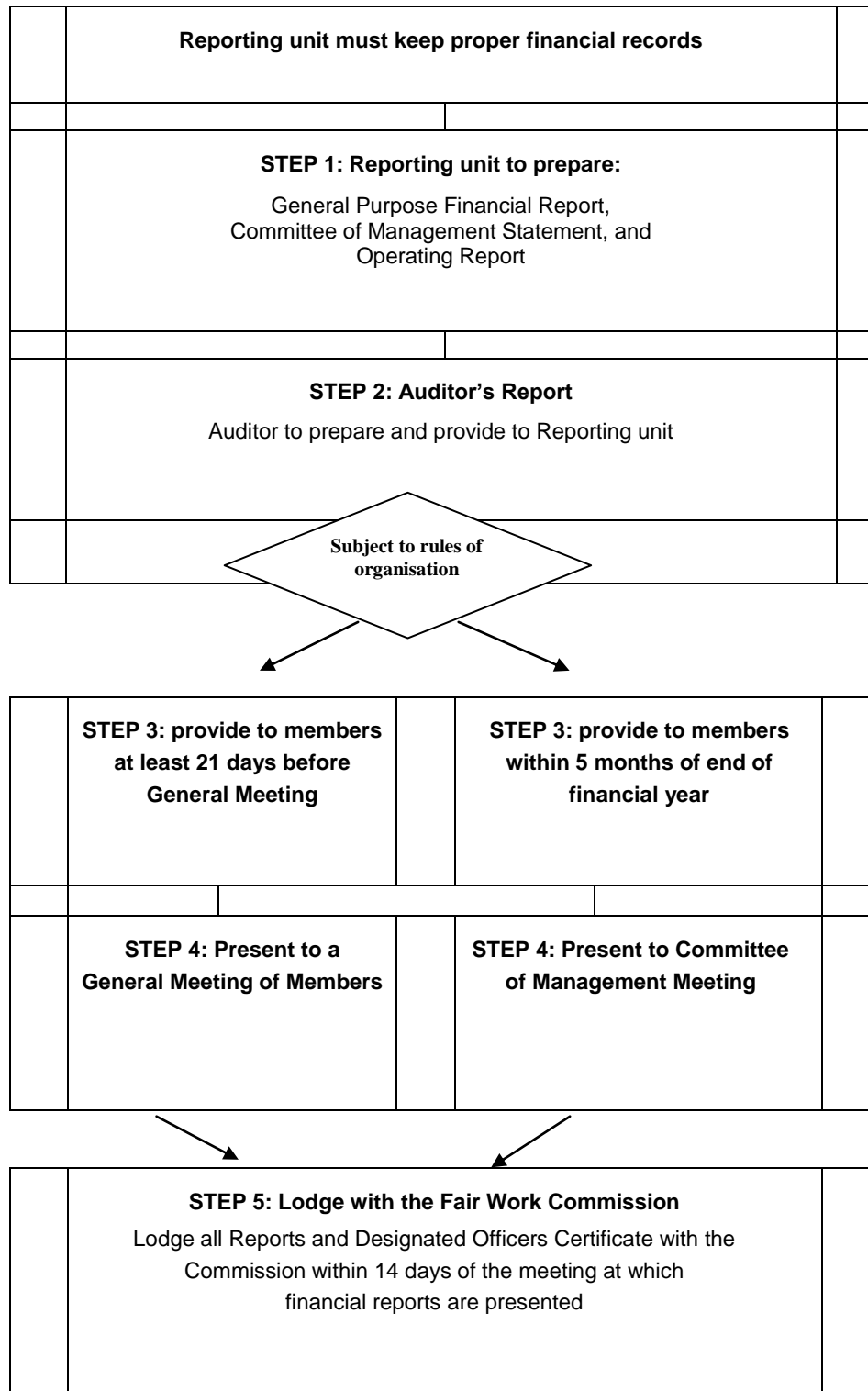


Anastasia Kyriakidis
Adviser
Regulatory Compliance Branch

Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



Fact Sheet - Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:

the amount,

the purpose,

the security (if it is a loan),

the name and address of the person to whom it was made,* and







the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

Note 4E: Grants or donations*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on orgs@fwc.gov.au