



**Australian Government**  
**Australian Industrial Registry**

15 June 2009

Mr Michael Dean  
President  
Police Federation of Australia, Western Australia Police Branch  
639 Murray Street  
West Perth WA 6005

By email: [pouunion@wapolun.org.au](mailto:pouunion@wapolun.org.au)

Dear Mr Dean

**Application for certificate stating financial affairs of Branch are encompassed by financial affairs of associated State body for year ended 31 March 2009 (FR2009/219)**

I refer to your application pursuant to s269 of Schedule 1 of the *Workplace Relations Act 1996*, lodged in the Industrial Registry on 27 May 2009, in respect of the Western Australia Police Branch of the Police Federation of Australia for the financial year ended 31 March 2009.

I have granted the application. My certificate is enclosed.

If you have any queries regarding this matter please contact Ms Eve Anderson at [eve.anderson@airc.gov.au](mailto:eve.anderson@airc.gov.au) or on 03 8661 7929.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Terry Nassios', written over a faint, illegible background.

Terry Nassios  
Deputy Industrial Registrar

WORKPLACE RELATIONS ACT 1996

s.269(2)(a) RAO Schedule

*Reporting unit's financial affairs encompassed by associated State body*

**Police Federation of Australia**  
(FR2009/219)

**CERTIFICATE**

On 27 May 2009 an application was made under s269 (2)(a) of Schedule 1 of the *Workplace Relations Act 1996* ("the RAO Schedule") by the Western Australia Police 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 Western Australian Police Union of Workers ("the Association"), an associated State body, in respect of the financial year ending 31 March 2009. On 10 June 2009, the Branch lodged a copy of the audited accounts of the Association with the Industrial Registry.

I am satisfied that the Association:

- is registered under the *Industrial Relations Act 1979* (WA), 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.

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.

I am satisfied that the financial affairs of the Branch in respect of the financial year ending 31 March 2009, are encompassed by the financial affairs of the Association and I certify accordingly under s269(2)(a) of the RAO Schedule.



Terry Nassios  
Deputy Industrial Registrar  
15 June 2009



Police Federation  
of Australia

Western Australia Police Branch  
639 Murray Street  
West Perth WA 6005

Our Ref: C 0386  
May 25 2009

The Industrial Registrar  
Statutory Services Branch  
Australian Industrial Registry  
GPO Box 1994S  
**MELBOURNE VIC 3001**



### **APPLICATION PURSUANT TO s.269 of SCHEDULE 1B OF THE WORKPLACE RELATIONS ACT 1996**

The Police Federation of Australia Western Australia Police Branch makes application pursuant to s.269 of Schedule 1B of the *Workplace Relations Act 1996*, to be taken to have satisfied Part 3 of Schedule 1B.

#### **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 Schedule 1B of the *Workplace Relations Act 1996*.

#### **GROUNDINGS AND REASONS**

S.269 of Schedule 1B applies to the Police Federation of Australia Western Australia Police Branch (hereinafter referred to as "Reporting Unit") on the following basis:

1. The Western Australian Police Union of Workers (hereinafter referred to as the "associated State body") is registered as an industrial organization under the *Industrial Relations Act 1979*, that Act being the Western Australian legislation.
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 Schedule 1B on the following basis:

- (a) The associated State body has, in accordance with the *Industrial Relations Act 1979*, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the audited accounts with the Registrar of the Western Australian Industrial Relations Commission; and
- (b) A copy of the audited accounts is attached hereto (See Attachment 1) ;

- (c) All members of the Reporting Unit and the associated State body, may inspect the Auditors Report, Balance Sheet and Statement of Income and Expenditure, free of charge at the office of the Registrar, in accordance with s.63 (6) of the *Industrial Relations Act 1979* and at substantially the same time, have been provided a copy of the Auditor's Report free of charge by publishing the Reports in the associated State body's Website at [www.wapolun.org.au](http://www.wapolun.org.au)
- (d) All members of the Reporting Unit have been provided with a copy of the Operating Report by its publication on the associated State body's Web Site (See Attachment 2).
- (e) A copy of the Operating Report is attached hereto (see Attachment 2)

The Police Federation of Australia Western Australia Police Branch submits that based on the grounds and reasons stated herein and the supporting documentation, the Branch satisfies s.269 of Schedule 1B and consequently seeks the relief as sought in this application.

If you have any questions with regard to this application or seek further supporting evidence, please contact the General Manager Mr Ken See on telephone (08) 93212155.

Yours sincerely



Michael J DEAN  
PRESIDENT

**WESTERN AUSTRALIAN  
POLICE UNION OF WORKERS  
ABN: 11 005 082 386  
SUMMARISED FINANCIAL REPORT  
31 MARCH 2009**

**DRY KIRKNESS  
Chartered Accountants  
West Perth**

**WESTERN AUSTRALIAN  
POLICE UNION OF WORKERS**

**INDEX**

|   | <i>Page No.</i> |
|---|-----------------|
| Statement by the General Secretary                    | 1               |
| Report of Auditors                                    | 2               |
| Balance Sheet   | 3               |
| Income Statement                                      | 4               |
| Statement of Recognised Income and Expense            | 5               |
| Statement of Cash flows                               | 6               |
| Notes to and Forming Part of the Financial Statements | 7               |
| Discussion and Analysis of the Financial Report       | 8               |

*The financial statements and other specific disclosures have been derived from Western Australian Police Union of Workers (the 'union') Full Financial Report for the year. Other information included in the Summarised Financial Report is consistent with the union's Full Financial Report.*

*The Summarised Financial Report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the union as the Full Financial Report*

*A copy of the union's 2008 Full Financial Report, including the independent audit report, is available to all members upon request.*

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**STATEMENT BY THE GENERAL SECRETARY**

In my opinion, the attached summarised financial statements of the Western Australian Police Union of Workers (the 'union'), which have been derived from and are consistent with the full financial report of the union and are set out in the attached pages are properly drawn up so as to give a true and fair view of the state of affairs of the union as at 31 March 2009 and the results of its operations and its cash flows for the year then ended.



GENERAL SECRETARY

Dated: 14<sup>th</sup> May 2009  
Perth, Western Australia



**DRY KIRKNESS**  
CHARTERED ACCOUNTANTS  
ABN 40 929 149 789

## INDEPENDENT AUDITORS REPORT

### TO THE MEMBERS OF WESTERN AUSTRALIAN POLICE UNION OF WORKERS

LEVEL 3, 35 OUTRAM STREET  
WEST PERTH, WESTERN AUSTRALIA 6005  
PO BOX 166, WEST PERTH, 6872  
TELEPHONE: (08) 9481 1118  
FACSIMILE: (08) 9481 5153  
EMAIL: [dk@drykirkness.com.au](mailto:dk@drykirkness.com.au)  
INTERNET: [www.drykirkness.com.au](http://www.drykirkness.com.au)

Liability limited by a scheme approved  
under the Professional Standards Legislation

### Report on the summarised financial report

We have audited the accompanying summarised financial report of the Western Australian Police Union of Workers (the 'union') which comprises the balance sheet as at 31 March 2008, the income statement, statement of recognised income and expense and cash flow statement for the year then ended and related notes, which was derived from the audited financial report of the Western Australian Police Union of Workers for the year ended 31 March 2009. We expressed an unmodified auditors opinion on that financial report in our auditors report dated 14<sup>th</sup> May 2009.

#### *Directors' responsibility for the summarised financial report*

The directors are responsible for the preparation and presentation of the summarised financial report in accordance with Australian Accounting Standards, appropriate to summarised financial reports. This responsibility includes establishing and maintaining internal control relevant to the preparation of the summarised financial report; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The summarised financial report does not contain all the disclosures required by the Australian Accounting Standards.


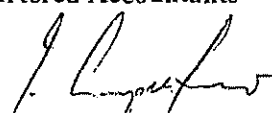
#### *Auditor's responsibility*

Our responsibility is to express an opinion on the summarised financial report based on our audit procedures, which were conducted in accordance with Australian Auditing Standards. These auditing standards require that we comply with relevant ethical requirements relating to audit engagements.

#### *Auditor's opinion*

In our opinion, the information reported in the summarised financial report is consistent, in all material respects, with the financial report from which it was derived. For a better understanding of the scope of our audit, this auditor's report should be read in conjunction with our audit report on the financial report.

Dated:- 14<sup>th</sup> May 2009  
Perth, Western Australia

  
**DRY KIRKNESS**  
Chartered Accountants  
  
**J LAMPRELL-JARRETT**  
Partner



WESTERN AUSTRALIAN POLICE UNION OF WORKERS

**BALANCE SHEET  
AS AT 31 MARCH 2009**

|                                  | 2009               | 2008               |
|----------------------------------|--------------------|--------------------|
|                                  | \$                 | \$                 |
| <b>CURRENT ASSETS</b>            |                    |                    |
| Cash and cash equivalents        | 1,816,752          | 1,021,619          |
| Receivables                      | 114,704            | 74,068             |
| Other                            | 96,516             | 87,543             |
|                                  | -----              | -----              |
| <b>TOTAL CURRENT ASSETS</b>      | <b>2,027,972</b>   | <b>1,183,230</b>   |
|                                  | -----              | -----              |
| <b>NON-CURRENT ASSETS</b>        |                    |                    |
| Financial assets                 | 703,123            | 1,024,102          |
| Property, plant and equipment    | 3,830,243          | 4,045,436          |
|                                  | -----              | -----              |
|                                  | 4,533,366          | 5,069,538          |
|                                  | -----              | -----              |
| <b>TOTAL ASSETS</b>              | <b>6,561,338</b>   | <b>6,252,768</b>   |
|                                  | -----              | -----              |
| <b>CURRENT LIABILITIES</b>       |                    |                    |
| Payables                         | 746,139            | 439,584            |
| Provisions                       | 170,742            | 138,928            |
| Short-term financial liabilities | 59,521             | 32,636             |
|                                  | -----              | -----              |
|                                  | 976,402            | 611,148            |
|                                  | -----              | -----              |
| <b>NON CURRENT LIABILITIES</b>   |                    |                    |
| Long-term financial liabilities  | 404,042            | 473,681            |
|                                  | -----              | -----              |
| <b>TOTAL LIABILITIES</b>         | <b>1,380,444</b>   | <b>1,084,829</b>   |
|                                  | -----              | -----              |
| <b>NET ASSETS</b>                | <b>\$5,180,894</b> | <b>\$5,167,939</b> |
|                                  | =====              | =====              |
| <b>EQUITY</b>                    |                    |                    |
| Retained profits                 | 4,172,047          | 3,871,667          |
| Reserves                         | 1,008,847          | 1,296,272          |
|                                  | -----              | -----              |
|                                  | <b>\$5,180,894</b> | <b>\$5,167,939</b> |
|                                  | =====              | =====              |

*To be read in conjunction with the notes to and forming part of the financial statements on page 7 and discussion and analysis of the financial report on page 8*

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2009**

|   | NOTE | 2009<br>\$                 | 2008<br>\$                   |
|---|------|----------------------------|------------------------------|
| Revenues from ordinary activities   | 2    | 4,550,414                  | 4,127,981                    |
| Employee Expenses   |      | (1,096,101)                | (1,009,130)                  |
| Depreciation and amortisation expenses  |      | (241,201)                  | (248,665)                    |
| Legal expenses  |      | (743,635)                  | (1,341,013)                  |
| Other expenses from ordinary activities   |      | (2,169,097)                | (1,723,681)                  |
| Profit/ (Loss) from ordinary activities before income tax expense                               |      | -----<br>300,380           | -----<br>(194,508)           |
| Income tax expense relating to ordinary activities  |      | -----<br>-                 | -----<br>-                   |
| Net profit/ (loss) from ordinary activities after income tax expense attributable to the entity |      | -----<br><u>\$ 300,380</u> | -----<br><u>\$ (194,508)</u> |

*To be read in conjunction with the notes to and forming part of the financial statements on page 7 and discussion and analysis of the financial report on page 8*

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**  
**STATEMENT OF RECOGNISED INCOME AND EXPENSE**  
**FOR THE YEAR ENDED 31 MARCH 2009**

|                                     | Asset<br>Revaluation<br>Reserve<br>\$ | Asset<br>Realisation<br>Reserve<br>\$ | Capital<br>Profits<br>Reserve<br>\$ | Financial<br>Asset<br>Reserve<br>\$ | Retained<br>Earnings<br>\$ | Total<br>\$         |
|-------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|----------------------------|---------------------|
| <b>Balance at 1<br/>April 2007</b>  | 159,916                               | 332,219                               | 786,204                             | 193,469                             | 4,066,175                  | 5,537,983           |
| Profit attributable<br>to members   |                                       |                                       |                                     |                                     | (194,508)                  | (194,508)           |
| Transfer to/(from)<br>reserves      | (86,916)                              | 86,916                                |                                     | (175,536)                           |                            | (175,536)           |
| <b>Balance at 31<br/>March 2008</b> | 73,000                                | 419,135                               | 786,204                             | 17,933                              | 3,871,667                  | 5,167,939           |
| Profit attributable<br>to members   | -                                     | -                                     | -                                   | -                                   | 300,380                    | 300,380             |
| Transfer to/(from)<br>reserves      | -                                     | -                                     | -                                   | (287,425)                           | -                          | (287,425)           |
| <b>Balance at 31<br/>March 2009</b> | <b>\$ 73,000</b>                      | <b>\$ 419,135</b>                     | <b>\$ 786,204</b>                   | <b>\$(269,492)</b>                  | <b>\$4,172,047</b>         | <b>\$ 5,180,894</b> |

*To be read in conjunction with the notes to and forming part of the financial statements on page 7 and  
discussion and analysis of the financial report on page 8*

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2009**

|  | 2009                 | 2008                 |
|--|----------------------|----------------------|
|  | \$                   | \$                   |
|  | Inflow/<br>(Outflow) | Inflow/<br>(Outflow) |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>            |                      |                      |
| Subscriptions and other member income                  | 4,029,828            | 3,570,183            |
| Interest received                                      | 87,712               | 70,185               |
| Other receipts   | 341,831              | 436,805              |
| Payments to suppliers and employees                    | (3,536,841)          | (4,087,491)          |
| Dividends received                                     | 45,993               | 50,833               |
|  | -----                | -----                |
| Net cash provided by operating activities              | 968,523              | 40,515               |
|  | -----                | -----                |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>            |                      |                      |
| Purchase of investment                                 | (245,829)            | (358,074)            |
| Purchase of fixed assets                               | (68,122)             | (680,996)            |
| Proceeds on sale of investments                        | 138,315              | 300,788              |
| Proceeds from sale of fixed assets                     | 45,000               | 9,546                |
|  | -----                | -----                |
| Net cash used by investing activities                  | (130,636)            | (728,736)            |
|  | -----                | -----                |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>            |                      |                      |
| Proceeds from borrowings                               | -                    | 520,000              |
| Repayment of borrowings                                | (42,754)             | (13,683)             |
|  | -----                | -----                |
| Net cash used by financing activities                  | (42,754)             | 506,317              |
|  | -----                | -----                |
| Net increase/ (decrease) in cash held                  | 795,133              | (181,904)            |
| <b>CASH AT THE BEGINNING OF THE<br/>FINANCIAL YEAR</b> | 1,021,619            | 1,203,523            |
|  | -----                | -----                |
| <b>CASH AT THE END OF THE FINANCIAL YEAR</b>           | \$1,816,752          | \$ 1,021,619         |
|  | -----                | -----                |

*To be read in conjunction with the notes to and forming part of the financial statements on page 7 and discussion and analysis of the financial report on page 8*

## WESTERN AUSTRALIAN POLICE UNION OF WORKERS

### NOTES TO AND FORMING PART OF THE SUMMARISED FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2009

#### NOTE 1 : BASIS OF PREPARATION OF THE SUMMARISED FINANCIAL REPORT

The summarised financial report has been prepared based upon the format of Accounting Standard AASB 1039 Concise Financial Reports, to the extent applicable.

The financial statements, specific disclosures and other information included in the summarised financial report is derived and is consistent with the full financial report of the union and is presented in Australian dollars. The summarised financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of the union as the full financial report from which it is derived. For a better understanding of the union's financial activities and position and accounting policies, reference should be made to the full audited financial report.

A copy of the full financial report for the year is available on request.

The accounting policies are consistent with those of the previous financial year.

|                                     | 2009               | 2008                |
|-------------------------------------|--------------------|---------------------|
|                                     | \$                 | \$                  |
| <b>NOTE 2: REVENUE</b>              |                    |                     |
| <b>Operating activities</b>         |                    |                     |
| Member subscriptions                | 3,733,462          | 3,472,796           |
| Rent received                       | 337,958            | 287,906             |
| Other                               | 341,831            | 205,400             |
|                                     | -----              | -----               |
|                                     | 4,413,251          | 3,966,102           |
|                                     | -----              | -----               |
| <b>Non Operating activities</b>     |                    |                     |
| Interest                            | 87,712             | 70,185              |
| Profit on Sale of Assets - property | 3,458              | 831                 |
| Profit on Sale of Assets - shares   | -                  | 40,030              |
| Dividends received                  | 45,993             | 50,833              |
|                                     | -----              | -----               |
|                                     | 137,163            | 161,879             |
|                                     | -----              | -----               |
| <b>Total Revenue</b>                | <u>\$4,550,414</u> | <u>\$ 4,127,981</u> |

#### NOTE 3: SEGMENT REPORTING

The union operates in one industry, as a Trade Union and in one geographical segment, Western Australia.

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**  
**DISCUSSION AND ANALYSIS OF THE FINANCIAL REPORT**

The Directors set out below the following discussion and analysis of the performance and state of affairs of the union for the year ended 31 March 2009.

*Balance Sheet*

Net assets have increased from \$5.16 million to \$5.18 million in spite of the effects of the global financial crisis.

Cash assets have increased by \$795,133 to \$1.08 million, while investments have decreased to \$703,123 from \$1,024,102 due mainly to the global financial crisis. Property, plant and equipment have decreased by mainly due to after depreciation of \$241,201.

Corresponding liabilities have also increased by \$295,615, mainly due to an increase in payables which were settled after year end.

*Income Statement*

Overall revenue has increased by \$422,433 due to an increase in subscription rates, rental income received and dividend income.

Expenditure has decreased from \$4.32 million to \$4.25 million, resulting in an overall turnaround from a loss last year of \$194,508 to a surplus this year of approximately \$300,000, largely as a result of the completion of the CCC inquiry.

*Statement of Recognised Income and Expense*

Equity movements comprise the profit for the year of \$300,380 and decrease in financial assets reserve of \$287,425 due to the decreased market value of the share portfolio as at 31 March 2009.

*Cash flow*

Net cash flow from operations has increased significantly from \$40,515 to \$968,523

Cash flows from net investing activities have reduced from \$728,736 (net outflow) to \$130,636 (net outflow) due primarily to proceeds on sale of investments reduced by approximately \$162,473 whilst outlays on investments and fixed assets have reduced by approximately \$725,000.

Last year, cash flows from financing activities included borrowings of \$520,000 which has been reduced this year by repayments of \$42,754

*Overall comment*

In spite of the impact of the global financial crisis during the year, the loss of the previous year has been turned around to a healthy profit and the union continues to be in a sound financial position.

**WESTERN AUSTRALIAN  
POLICE UNION OF WORKERS  
ABN: 11 005 082 386**

**FINANCIAL STATEMENTS  
31 MARCH 2009**

**DRY KIRKNESS**  
Chartered Accountants  
West Perth

**WESTERN AUSTRALIAN  
POLICE UNION OF WORKERS**

**INDEX**

|   | <i>Page No.</i> |
|---|-----------------|
| Statement by the Board of Directors                   | 1               |
| Secretary's Certificate                               | 2               |
| Report of Auditors                                    | 3-4             |
| Balance Sheet   | 5               |
| Income Statement                                      | 6               |
| Statement of Recognised Income and Expense            | 7               |
| Statement of Cash flows                               | 8               |
| Notes to and Forming Part of the Financial Statements | 9 - 22          |
| Auditors Disclaimer                                   | 23              |
| Detailed Income and Expenditure Account               | 24 - 25         |



# WESTERN AUSTRALIAN POLICE UNION OF WORKERS

## STATEMENT BY THE BOARD OF DIRECTORS

In our opinion the financial statements of the Western Australian Police Union of Workers (the 'union'), set out on pages 5 to 22 are properly drawn up so as to give a true and fair view of the state of affairs of the union as at 31 March 2009 and the results of its operations and its cash flows for the year then ended.



---

GENERAL PRESIDENT



---

GENERAL SECRETARY

Dated: 14<sup>th</sup> May 2009  
Perth, Western Australia

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**GENERAL SECRETARY'S STATUTORY DECLARATION REGULATION 79**

I, Kenneth John See, being the General Secretary of the Western Australian Police Union of Workers of 639 Murray Street, West Perth sincerely declare as follows:-


- (a) all relevant books and documents in relation to the financial affairs of the union that were required to be provided, were provided.

This declaration is true and I know that it is an offence to make a declaration knowing that it is false in a material particular. This declaration is made under the Oaths, Affidavits and Statutory Declarations Act 2005.

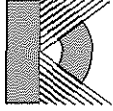
Declared at Perth this 14<sup>th</sup> day of May 2009.

  
KENNETH JOHN SEE

In the presence of -

  
\_\_\_\_\_  
Signature of authorised witness

Russell Inge Australian Police Inspector 45391.  
Name of authorised witness and qualification as such witness



**DRY KIRKNESS**  
CHARTERED ACCOUNTANTS  
ABN 40 929 149 789

LEVEL 3, 35 OUTRAM STREET  
WEST PERTH, WESTERN AUSTRALIA 6005  
PO BOX 166, WEST PERTH, 6872  
TELEPHONE: (08) 9481 1118  
FACSIMILE: (08) 9481 5153  
EMAIL: dk@drykirkness.com.au  
INTERNET: www.drykirkness.com.au

Liability limited by a scheme approved  
under the Professional Standards Legislation

## **INDEPENDENT AUDITORS REPORT**

### **TO THE MEMBERS OF THE WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

#### **Report on the Financial Report**

We have audited the accompanying financial report of the Western Australian Police Union of Workers (the 'union') which comprises the balance sheet as at 31 March 2009 and the income statement, statement of recognised income and expense and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

#### **The Board of Directors' Responsibility for the Financial Report**

The Board of Directors of the union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Industrial Relations Act 1979, as amended. 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, and complying with the Industrial Relations Act 1979, as amended.

#### **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, and whether or not the union's officials have complied with Section 74 of the Industrial Relations Act 1979, as amended.

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 directors, 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.

## **Auditor's Opinion**

In our opinion:

- a) the financial report presents fairly, in all material respects, the financial position of the Western Australian Police Union of Workers as at 31 March 2009 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).
- b) the union's officials have complied with Section 74 of its Industrial Relations Act 1979, as amended.

  
**DRY KIRKNESS**  
Chartered Accountants

  
**J LAMPRELL-JARRETT**  
Partner

Dated: 14<sup>th</sup> May 2009  
West Perth

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**BALANCE SHEET  
AS AT 31 MARCH 2009**

|                                  | NOTE | 2009<br>\$         | 2008<br>\$         |
|----------------------------------|------|--------------------|--------------------|
| <b>CURRENT ASSETS</b>            |      |                    |                    |
| Cash and cash equivalents        | 5    | 1,816,752          | 1,021,619          |
| Receivables                      | 6    | 114,704            | 74,068             |
| Other                            | 7    | 96,516             | 87,543             |
|                                  |      | -----              | -----              |
| <b>TOTAL CURRENT ASSETS</b>      |      | <b>2,027,972</b>   | <b>1,183,230</b>   |
|                                  |      | -----              | -----              |
| <b>NON-CURRENT ASSETS</b>        |      |                    |                    |
| Financial assets                 | 8    | 703,123            | 1,024,102          |
| Property, plant and equipment    | 9    | 3,830,243          | 4,045,436          |
|                                  |      | -----              | -----              |
|                                  |      | <b>4,533,366</b>   | <b>5,069,538</b>   |
|                                  |      | -----              | -----              |
| <b>TOTAL ASSETS</b>              |      | <b>6,561,338</b>   | <b>6,252,768</b>   |
|                                  |      | -----              | -----              |
| <b>CURRENT LIABILITIES</b>       |      |                    |                    |
| Payables                         | 10   | 746,139            | 439,584            |
| Provisions                       | 11   | 170,742            | 138,928            |
| Short-term financial liabilities | 12   | 59,521             | 32,636             |
|                                  |      | -----              | -----              |
|                                  |      | <b>976,402</b>     | <b>611,148</b>     |
|                                  |      | -----              | -----              |
| <b>NON CURRENT LIABILITIES</b>   |      |                    |                    |
| Long-term financial liabilities  | 12   | 404,042            | 473,681            |
|                                  |      | -----              | -----              |
| <b>TOTAL LIABILITIES</b>         |      | <b>1,380,444</b>   | <b>1,084,829</b>   |
|                                  |      | -----              | -----              |
| <b>NET ASSETS</b>                |      | <b>\$5,180,894</b> | <b>\$5,167,939</b> |
|                                  |      | =====              | =====              |
| <b>EQUITY</b>                    |      |                    |                    |
| Retained profits                 |      | 4,172,047          | 3,871,667          |
| Reserves                         | 14   | 1,008,847          | 1,296,272          |
|                                  |      | -----              | -----              |
|                                  |      | <b>\$5,180,894</b> | <b>\$5,167,939</b> |
|                                  |      | =====              | =====              |

*Notes to and forming part of the financial statements are included on pages 9 to 20*

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2009**

|   | NOTE | 2009<br>\$        | 2008<br>\$          |
|---|------|-------------------|---------------------|
| Revenues from ordinary activities   | 2    | 4,550,414         | 4,127,981           |
| Employee Expenses   |      | (1,096,101)       | (1,009,130)         |
| Depreciation and amortisation expenses  |      | (241,201)         | (248,665)           |
| Legal expenses  |      | (743,635)         | (1,341,013)         |
| Other expenses from ordinary activities   |      | (2,169,097)       | (1,723,681)         |
| Profit/ (Loss) from ordinary activities before income tax expense                               |      | 300,380           | (194,508)           |
| Income tax expense relating to ordinary activities  | 1(b) | -                 | -                   |
| Net profit/ (loss) from ordinary activities after income tax expense attributable to the entity |      | <b>\$ 300,380</b> | <b>\$ (194,508)</b> |

*Notes to and forming part of the financial statements are included on pages 9 to 20*

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**STATEMENT OF RECOGNISED INCOME AND EXPENSE  
FOR THE YEAR ENDED 31 MARCH 2009**

|                                     | Asset<br>Revaluation<br>Reserve<br>\$ | Asset<br>Realisation<br>Reserve<br>\$ | Capital<br>Profits<br>Reserve<br>\$ | Financial<br>Asset<br>Reserve<br>\$ | Retained<br>Earnings<br>\$ | Total<br>\$         |
|-------------------------------------|---------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|----------------------------|---------------------|
| <b>Balance at 1<br/>April 2007</b>  | 159,916                               | 332,219                               | 786,204                             | 193,469                             | 4,066,175                  | 5,537,983           |
| Profit attributable<br>to members   |                                       |                                       |                                     |                                     | (194,508)                  | (194,508)           |
| Transfer to/(from)<br>reserves      | (86,916)                              | 86,916                                |                                     | (175,536)                           |                            | (175,536)           |
| <b>Balance at 31<br/>March 2008</b> | 73,000                                | 419,135                               | 786,204                             | 17,933                              | 3,871,667                  | 5,167,939           |
| Profit attributable<br>to members   | -                                     | -                                     | -                                   | -                                   | 300,380                    | 300,380             |
| Transfer to/(from)<br>reserves      | -                                     | -                                     | -                                   | (287,425)                           | -                          | (287,425)           |
| <b>Balance at 31<br/>March 2009</b> | <b>\$ 73,000</b>                      | <b>\$ 419,135</b>                     | <b>\$ 786,204</b>                   | <b>\$(269,492)</b>                  | <b>\$4,172,047</b>         | <b>\$ 5,180,894</b> |

*Notes to and forming part of the financial statements are included on pages 9 to 20*

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2009**

|  | NOTE  | 2009<br>\$<br>Inflow/<br>(Outflow) | 2008<br>\$<br>Inflow/<br>(Outflow) |
|--|-------|------------------------------------|------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>    |       |                                    |                                    |
| Subscriptions and other member income          |       | 4,029,828                          | 3,570,183                          |
| Interest received                              |       | 87,712                             | 70,185                             |
| Other receipts                                 |       | 341,831                            | 436,805                            |
| Payments to suppliers and employees            |       | (3,536,841)                        | (4,087,491)                        |
| Dividends received                             |       | 45,993                             | 50,833                             |
|  |       | -----                              | -----                              |
| Net cash provided by operating activities      | 21(b) | 968,523                            | 40,515                             |
|  |       | -----                              | -----                              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>    |       |                                    |                                    |
| Purchase of investment                         |       | (245,829)                          | (358,074)                          |
| Purchase of fixed assets                       |       | (68,122)                           | (680,996)                          |
| Proceeds on sale of investments                |       | 138,315                            | 300,788                            |
| Proceeds from sale of fixed assets             |       | 45,000                             | 9,546                              |
|  |       | -----                              | -----                              |
| Net cash used by investing activities          |       | (130,636)                          | (728,736)                          |
|  |       | -----                              | -----                              |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>    |       |                                    |                                    |
| Proceeds from borrowings                       |       | -                                  | 520,000                            |
| Repayment of borrowings                        |       | (42,754)                           | (13,683)                           |
|  |       | -----                              | -----                              |
| Net cash used by financing activities          |       | (42,754)                           | 506,317                            |
|  |       | -----                              | -----                              |
| Net increase/ (decrease) in cash held          |       | 795,133                            | (181,904)                          |
| CASH AT THE BEGINNING OF THE<br>FINANCIAL YEAR |       | 1,021,619                          | 1,203,523                          |
|  |       | -----                              | -----                              |
| <b>CASH AT THE END OF THE FINANCIAL YEAR</b>   | 21(a) | \$1,816,752                        | \$ 1,021,619                       |
|  |       | -----                              | -----                              |

*Notes to and forming part of the financial statements are included on pages 9 to 20*



# WESTERN AUSTRALIAN POLICE UNION OF WORKERS

## NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2009

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers the Western Australian Police Union of Workers (the 'union') as an individual entity, incorporated in Western Australia.

#### *Basis of Preparation*

The financial statements are a general purpose report 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 1979.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied, unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### *Accounting Policies*

##### *a) Union Financial Statements*

The accompanying financial statements reflect the assets and liabilities and operating results of the union and exclude assets or liabilities held by any branches, which are associated with the union.

##### *b) Income Tax*

The union is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act.

##### *c) Cash and cash equivalents*

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

##### *d) Property, Plant and Equipment*

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

#### *Land and Buildings*

Land and buildings are carried at Board of Directors valuation from 1995 or cost where the asset has been acquired subsequent to that date.

The carrying value of land and buildings is reviewed annually.

## WESTERN AUSTRALIAN POLICE UNION OF WORKERS

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### *Plant and Equipment*

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

The carrying amount of plant and equipment is reviewed annually by the directors 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, which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

##### *Depreciation*

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

The depreciation rates used for each class of asset are:

|                        |          |
|------------------------|----------|
| Furniture and Fittings | 10 %     |
| Motor Vehicles         | 22 1/2 % |
| Computer equipment     | 33 1/3 % |
| Buildings              | 4 %      |

The assets' 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 income statement. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to a realisation reserve.

#### e) *Financial Instruments*

##### *Recognition and Initial Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the association becomes a party to the contractual provisions of the instrument.

Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

# WESTERN AUSTRALIAN POLICE UNION OF WORKERS

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Derecognition*

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

#### *Classification and Subsequent Measurement*

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

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

##### *(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

##### *(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

##### *(iv) Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

##### *(v) Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

#### *Impairment*

At each reporting date, the union assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

#### *f) Impairment of Assets*

At each reporting date, the union reviews the carrying value 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 assets carrying value over its recoverable amount is expensed to the income statement.

## WESTERN AUSTRALIAN POLICE UNION OF WORKERS

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### *g) Employee Entitlements*

Provision is made for the union's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

##### *h) Provisions*

Provisions are recognised when the union 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.

##### *i) Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

##### *j) Revenue*

Income is brought to account when earned except for income relating to act of grace contributions from the State Government in relation to legal costs, which is brought to account when received as it cannot be reliably determined until received.

Rental income is recognised over the period of occupancy of premises.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

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

##### *k) Leases*

Lease payments under 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.

##### *l) Comparative Figures*

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

WESTERN AUSTRALIAN POLICE UNION OF WORKERS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Critical Accounting Estimates and Judgments**

The Board of Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union.

*Key Estimates – Impairment*

The Board of Directors assess impairment at each reporting date by evaluating conditions specific to the Union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates

This report was authorised for issue on 14<sup>th</sup> May 2009.

|                                     | 2009        | 2008         |
|-------------------------------------|-------------|--------------|
|                                     | \$          | \$           |
| <b>2. REVENUE</b>                   |             |              |
| <b>Operating activities</b>         |             |              |
| Member subscriptions                | 3,733,462   | 3,472,796    |
| Rent received                       | 337,958     | 287,906      |
| Other                               | 341,831     | 205,400      |
|                                     | -----       | -----        |
|                                     | 4,413,251   | 3,966,102    |
|                                     | -----       | -----        |
| <b>Non Operating activities</b>     |             |              |
| Interest                            | 87,712      | 70,185       |
| Profit on Sale of Assets - property | 3,458       | 831          |
| Profit on Sale of Assets - shares   | -           | 40,030       |
| Dividends received                  | 45,993      | 50,833       |
|                                     | -----       | -----        |
|                                     | 137,163     | 161,879      |
|                                     | -----       | -----        |
| <b>Total Revenue</b>                | \$4,550,414 | \$ 4,127,981 |
|                                     | =====       | =====        |

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

|  | <b>2009</b> | <b>2008</b>  |
|--|-------------|--------------|
|  | \$          | \$           |
| <b>3. PROFIT FROM ORDINARY ACTIVITIES</b>  |             |              |
| Profit from ordinary activities before income tax expense has been determined after:   |             |              |
| <b>Expenses:</b>   |             |              |
| Rental expense on operating leases   | 93,427      | 72,301       |
| Finance costs  | 35,012      | 18,052       |
| Depreciation   | 241,201     | 248,665      |
| <br>   |             |              |
| <b>4. AUDITOR'S REMUNERATION</b>   |             |              |
| Remuneration of the auditor:   |             |              |
| - Auditing the accounts of the Union   | 7,935       | 7,300        |
| - Other services   | 1,400       | 1,150        |
| <br>   |             |              |
| Other services include professional services for advice in respect of taxation issues, accounting advice in respect of changes to Australian Accounting Standards. |             |              |
| <br>   |             |              |
| <b>5. CASH AND CASH EQUIVALENTS</b>  |             |              |
| <br>   |             |              |
| Cash on hand   | 1,397       | 300          |
| Cash at bank   | 799,956     | 522,673      |
| Short term deposits  | 1,015,399   | 498,646      |
|  | \$1,816,752 | \$ 1,021,619 |
|  |             |              |
| <br>   |             |              |
| <b>6. RECEIVABLES</b>  |             |              |
| <br>   |             |              |
| Trade debtors  | 15,240      | 17,911       |
| Accrued income   | 56,028      | 28,526       |
| Sundry debtors   | 43,436      | 27,631       |
|  | \$ 114,704  | \$ 74,068    |
|  |             |              |
| <br>   |             |              |
| <b>7. OTHER CURRENT ASSETS</b>   |             |              |
| <br>   |             |              |
| Prepayments  | 96,516      | 87,543       |
|  | \$96,516    | \$ 87,543    |
|  |             |              |

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

|   | <b>2009</b> | <b>2008</b>  |
|---|-------------|--------------|
|   | \$          | \$           |
| <b>8. OTHER FINANCIAL ASSETS</b>            |             |              |
| Available for sale financial assets :       |             |              |
| Listed shares - at fair value               | 698,123     | 1,019,102    |
| Unlisted shares - at cost                   | 5,000       | 5,000        |
|   | \$ 703,123  | \$ 1,024,102 |
|   |             |              |
| <br><b>9. PLANT, PROPERTY AND EQUIPMENT</b> |             |              |
| Land and Buildings – at valuation 1995      | 533,000     | 533,000      |
| Land and Buildings – at cost                | 4,343,424   | 4,378,782    |
| Less: Provision for Depreciation            | (1,270,739) | (1,142,919)  |
|   | 3,605,685   | 3,768,863    |
|   |             |              |
| Motor Vehicles – at cost                    | 187,055     | 187,054      |
| Less: Provision for Depreciation            | (93,383)    | (51,295)     |
|   | 93,672      | 135,759      |
|   |             |              |
| Furniture, Fixtures and Fittings – at cost  | 421,494     | 412,965      |
| Less: Provision for Depreciation            | (305,451)   | (284,002)    |
|   | 116,043     | 128,963      |
|   |             |              |
| Computer equipment – at cost                | 154,746     | 142,728      |
| Less: Provision for Depreciation            | (139,903)   | (130,877)    |
|   | 14,843      | 11,851       |
|   | \$3,830,243 | \$4,045,436  |
|   |             |              |

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**9. PLANT, PROPERTY AND EQUIPMENT (continued)**

- (a) Movements in carrying amounts each class of property, plant and equipment between the beginning and the end of the current financial year.

|                               | <b>Land &amp;<br/>Buildings</b> | <b>Motor<br/>Vehicles</b> | <b>Furniture &amp;<br/>Fittings</b> | <b>Computer<br/>Equipment</b> | <b>TOTAL<br/>\$</b> |
|-------------------------------|---------------------------------|---------------------------|-------------------------------------|-------------------------------|---------------------|
| Beginning balance             | 3,768,863                       | 135,759                   | 128,963                             | 11,851                        | 4,045,436           |
| Additions                     | 31,243                          | -                         | 23,170                              | 13,709                        | 68,122              |
| Disposals                     | (39,945)                        | -                         | (2,169)                             | -                             | (42,114)            |
| Depreciation                  | (154,476)                       | (42,087)                  | (33,921)                            | (10,717)                      | (241,201)           |
| Carrying value<br>at year-end | \$ 3,605,685                    | \$ 93,672                 | \$116,043                           | \$ 14,843                     | \$3,830,243         |

**2009**  
\$

**2008**  
\$

**10. PAYABLES**

|                              |                   |                   |
|------------------------------|-------------------|-------------------|
| Trade creditors and accruals | 559,535           | 293,189           |
| Holding accounts             | -                 | 777               |
| Income in advance            | 68,190            | 69,146            |
| Short-term employee benefits | 118,414           | 76,472            |
|                              | <u>\$ 746,139</u> | <u>\$ 439,584</u> |

**11. PROVISIONS**

|                    |                  |                   |
|--------------------|------------------|-------------------|
| <b>CURRENT</b>     |                  |                   |
| Long service leave | 170,742          | 138,928           |
|                    | <u>\$170,742</u> | <u>\$ 138,928</u> |

**12. FINANCIAL LIABILITIES**

|                               |                  |                   |
|-------------------------------|------------------|-------------------|
| Bank loans                    | 463,563          | 506,317           |
| Less: Current liabilities     | (59,521)         | (32,636)          |
| Total non current liabilities | <u>\$404,042</u> | <u>\$ 473,681</u> |



WESTERN AUSTRALIAN POLICE UNION OF WORKERS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009

|  | 2009        | 2008        |
|--|-------------|-------------|
|  | \$          | \$          |
| <b>13. LEASING COMMITMENTS</b>                                     |             |             |
| <b>Operating lease commitments not capitalised in the accounts</b> |             |             |
| Being rent of Holiday Homes  |             |             |
| Payable:   |             |             |
| not later than 1 year  | 26,075      | 83,130      |
| later than 1 year but not later than 5 years                       | 58,300      | 79,835      |
| Later than 5 years   | 40,694      | 47,770      |
|  | <hr/>       | <hr/>       |
| Total lease liability  | \$ 125,069  | \$210,735   |
|  | <hr/> <hr/> | <hr/> <hr/> |

**14. RESERVES**

*Asset Revaluation Reserve*

This reserve records the income in value of land and buildings which were revalued in 1995.

*Asset Realisation Reserve*

This reserve records the profit on disposal of previously revalued assets.

*Capital Profits Reserve*

This reserve records profits on disposal of land and buildings.

*Financial Asset Reserve*

This reserve records the revaluation to fair value of available for sale financial assets, including investments.

**15. RELATED PARTY INFORMATION**

There have been no related party transactions during the year.

## WESTERN AUSTRALIAN POLICE UNION OF WORKERS

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

#### 16. FINANCIAL INSTRUMENTS

The Union's financial instruments consist mainly of deposits with banks, short term investments, managed portfolios, accounts receivable and payable.

The Union does not have any derivative instruments at 31 March 2009.

##### *i) Treasury Risk Management*

Management meets on a regular basis to analyse financial risk exposure and to evaluate management strategies in the context of the most recent economic conditions and forecasts.

Management's overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Management operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board of Directors on a regular basis.

##### *ii) Financial Risk Exposures and Management*

The main risks to which the Union is exposed through its financial instruments are interest rate risk, liquidity risk, credit risk and price risk.

##### *Interest rate risk*

Interest rate risk is monitored by management on a regular basis.

##### *Foreign currency risk*

The Union is not exposed to fluctuations in foreign currencies.

##### *Liquidity risk*

The Union manages liquidity risk by regularly monitoring forecast cash flows and ensuring that adequate funds are available for day to day operations.

##### *Credit risk*

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amounts of collateral held as security at 31 March 2009.

Credit risk is managed and reviewed regularly by management. It arises from exposure to members and deposits with financial institutions and managed securities.

The Union monitors the credit risk as follows:

- surplus funds are invested on deposit in the major Australian banks and portfolio investments

##### *Price risk*

The Union's exposure to price risk is similar to any other trade union which provides services in the current economic climate.

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**16. FINANCIAL INSTRUMENTS (continued)**

**a) Financial Instrument Composition and Maturity Analysis**

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

|                                    | 2009                                     | 2008 | 2009                   | 2008           | 2009                         | 2008           | 2009                 | 2008           | 2009             | 2008             |
|------------------------------------|--|------|------------------------|----------------|------------------------------|----------------|----------------------|----------------|------------------|------------------|
|                                    | \$                                       | \$   | \$                     | \$             | \$                           | \$             | \$                   | \$             | \$               | \$               |
|                                    | Weighted Average Effective Interest Rate |      | Floating Interest rate |                | Fixed Interest Rate Maturing |                | Non-interest bearing |                | Total            |                  |
| <b>FINANCIAL ASSETS</b>            |  |      |                        |                |                              |                |                      |                |                  |                  |
| Cash and cash equivalents          | 3.90                                     | 4.56 | 801,716                | 522,673        | 1,015,399                    | 498,646        | 1,397                | 300            | 1,818,512        | 1,021,619        |
| Trade and other receivables        |  |      | -                      | -              | -                            | -              | 114,704              | 74,068         | 114,704          | 74,068           |
| <b>TOTAL FINANCIAL ASSETS</b>      |  |      | <b>801,716</b>         | <b>522,673</b> | <b>1,015,399</b>             | <b>498,646</b> | <b>116,101</b>       | <b>74,368</b>  | <b>1,933,216</b> | <b>1,095,687</b> |
| <b>FINANCIAL LIABILITIES</b>       |  |      |                        |                |                              |                |                      |                |                  |                  |
| Trade and sundry payables          |  |      | -                      | -              | -                            | -              | 559,535              | 293,189        | 559,535          | 293,189          |
| Bank loan - current                | 4.18                                     | 8.63 | 59,521                 | 32,636         | -                            | -              | -                    | -              | 59,521           | 32,636           |
| Non current                        |  |      | 404,042                | 473,681        | -                            | -              | -                    | -              | 404,042          | 473,681          |
| <b>TOTAL FINANCIAL LIABILITIES</b> |  |      | <b>463,563</b>         | <b>506,317</b> | <b>-</b>                     | <b>-</b>       | <b>559,535</b>       | <b>293,189</b> | <b>1,023,098</b> | <b>799,506</b>   |

**b) Net Fair Values**

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.

Fair values are materially in line with carrying values and non current assets and liabilities have not been discounted to net present values.

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**16. FINANCIAL INSTRUMENTS (continued)**

**Sensitivity Analysis**

Interest rate risk

The Union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on current year results and equity which could result from a change in this risk.

As at 31 March 2009, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

|                                   | <b>2009</b> | <b>2008</b> |
|-----------------------------------|-------------|-------------|
|                                   | \$          | \$          |
| Change in profit/(loss)           |             |             |
| - Increase in interest rate by 2% | 18,668      | 17,177      |
| - Decrease in interest rate by 2% | (18,668)    | (17,177)    |
| Change in equity                  |             |             |
| - Increase in interest rate by 2% | 18,668      | 17,177      |
| - Decrease in interest rate by 2% | (18,668)    | (17,177)    |

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

**17. KEY MANAGEMENT PERSONNEL COMPENSATION**

|   |         |         |
|---|---------|---------|
| Income received or due and receivable by key management personnel | 182,508 | 184,422 |
|---|---------|---------|

**18. OTHER INFORMATION**

Principal place of business:

639 Murray Street  
West Perth WA 6005

**19. SEGMENT REPORTING**

The union operates in one industry, as a Trade Union and in one geographical segment, Western Australia

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**20. CONTINGENT LIABILITIES**

Estimates of the maximum amount of contingent liabilities that may become payable:

- unfunded death benefits payable to current and retired members for which it is impractical to quantify the amount
- legal fees in respect of legal action on behalf of members which may be incurred by the union if costs are not recoverable. These are believed to be minimal.

|  | <b>2009</b> | <b>2008</b> |
|--|-------------|-------------|
|  | \$          | \$          |

**21. CASH FLOW INFORMATION**

*(a) Reconciliation of Cash*

For the purposes of the statement of cash flows, the union considers cash to include cash on hand, in banks and deposits. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:-

|                     |             |              |
|---------------------|-------------|--------------|
| Cash at bank        | 1,015,399   | 498,646      |
| Cash on hand        | 1,397       | 300          |
| Short term deposits | 799,956     | 522,673      |
|                     | \$1,816,752 | \$ 1,021,619 |
|                     | =====       | =====        |

*(b) Reconciliation of Net Cash Used in Operating Activities to Net Surplus/(Deficit) for the year.*

|   |            |           |
|---|------------|-----------|
| Net surplus/(deficit) for the year                    | 300,380    | (194,508) |
| Depreciation  | 241,201    | 248,665   |
| Net (Profit)/Loss on sale of assets                   | (2,886)    | (831)     |
| Net (Profit)/Loss on sale of Shares                   | 141,069    | (40,030)  |
| (Increase)/Decrease in receivables                    | (40,636)   | 40,886    |
| (Increase)/Decrease in other current assets           | (8,974)    | (7,137)   |
| Increase/(Decrease) in payables and income in advance | 306,555    | (12,431)  |
| Increase/(Decrease) in provisions                     | 31,814     | 5,901     |
|   | \$ 968,523 | \$ 40,515 |
|   | =====      | =====     |

*(c) Loan Facilities*

The union has a loan facility secured over the holiday home to which the loan relates and over its property in West Perth. At balance date, the balance of the loan is \$463,563.

*(d) Non-cash activities*

There were no non-cash financing or investing activities during the period.

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**22. ACCOUNTING POLICY AMENDMENTS**

The following Australian Accounting Standards issued or amended and which are applicable to the entity but not yet effective have not been adopted in the preparation of the financial statements at reporting date.

| <b>AASB Amended</b> | <b>Standards Affected Which May Apply to the Board</b>  | <b>Application Date</b> |
|---------------------|---|-------------------------|
| AASB 2007-3         | AASB 107 Cash Flow Statements<br>AASB 119 Employee Benefits<br>AASB 136 Impairment of Assets  | 1/1/2009                |
| AASB 2007-6         | AASB 1 First-time Adoption of Australian<br>Equivalents to International<br>Financial Reporting Standards<br>AASB 101 Presentation of Financial Statements<br>AASB 107 Cash Flow Statements<br>AASB 116 Property, Plant and Equipment | 1/1/2009                |
| AASB 2007-8         | AASB 101 Presentation of Financial Statements   | 1/1/2009                |
| AASB 101            | AASB 101 Presentation of Financial Statements   | 1/1/2009                |


The changes which will result from the issuance of the above Australian Accounting Standards have not yet been fully ascertained, however, initial indications are that these will result in more disclosure rather than any financial impact as a result of changes in accounting policies, measurement and recognition.

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009**

**AUDITORS' DISCLAIMER**

The additional financial data presented in the following pages 24-25 is in accordance with the books and records of Western Australian Police Union of Workers, which have been subjected to the auditing procedures applied in our statutory audit of the union for the year ended 31 March 2009. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person in respect of such data, including any errors or omissions therein however caused.

  
**DRY KIRKNESS**  
Chartered Accountants

  
**J LAMPRELL-JARRETT**  
Partner

Dated: 14<sup>th</sup> May 2009  
Perth, Western Australia

**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2009**

|  | <b>2009</b> | <b>2008</b> |
|--|-------------|-------------|
|  | \$          | \$          |
| <b>INCOME</b>                          |             |             |
| Dividends received                     | 45,993      | 50,833      |
| Member subscriptions                   | 3,733,462   | 3,472,796   |
| Members Gas Accounts                   | 115,555     | 97,387      |
| Interest                               | 87,712      | 70,185      |
| Rent                                   | 337,958     | 287,906     |
| Easyfleet                              | 9,800       | 10,000      |
| Sundry income                          | 1           | 22          |
| Legacy Employment Reimbursement        | -           | 70,491      |
| Police News advertising rebate         | -           | 27,500      |
| Profit on Sale of Assets – property    | 3,458       | 831         |
| Profit on Sale of Assets – shares      | -           | 40,030      |
| Member insurance bonus rebate          | 216,475     | -           |
|  | -----       | -----       |
|  | 4,550,414   | 4,127,981   |
|  | -----       | -----       |
| <b>EXPENDITURE</b>                     |             |             |
| Advertising                            | 12,783      | 354         |
| Audit fees                             | 9,335       | 8,771       |
| Australian Federation fees             | 81,174      | 105,740     |
| Bank charges                           | 6,367       | 5,417       |
| Benevolent fund grants                 | -           | 7,956       |
| Branch visits                          | 29,699      | 17,565      |
| Borrowing charges                      | -           | 650         |
| Cleaning and rent                      | 167,921     | 105,089     |
| Collection of union fees               | 9,649       | 9,128       |
| Computer expenses                      | 17,162      | 15,488      |
| Conference expenses                    | 86,757      | 106,402     |
| Consultants                            | 104,060     | 104,271     |
| Death levies paid                      | 131,999     | 90,086      |
| Depreciation                           | 241,201     | 248,665     |
| Donations                              | 25,693      | 8,216       |
| Electricity and gas                    | 23,671      | 24,076      |
| Employment agencies and external staff | 6,446       | 10,199      |
| Entertainment                          | 28,649      | 25,194      |
| Executive allowance                    | 4,200       | 4,200       |
| Fringe benefits tax                    | 23,879      | 16,613      |
| General expenses                       | 113,040     | 89,573      |
|  | -----       | -----       |
| Balance Carried Forward                | 1,123,685   | 1,003,653   |
|  | -----       | -----       |

*This page is to be read in conjunction with the disclaimer on page 21.*



**WESTERN AUSTRALIAN POLICE UNION OF WORKERS**

**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2009**

|   | <b>2009</b>       | <b>2008</b>        |
|---|-------------------|--------------------|
|   | <b>\$</b>         | <b>\$</b>          |
| <b>EXPENDITURE</b>                        |                   |                    |
| <i>Balance Carried Forward</i>            | 1,123,685         | 1003,653           |
|   | -----             | -----              |
| Industrial expenses                       | 4,262             | 225                |
| Insurance                                 | 38,214            | 35,456             |
| Interest - Loan                           | 35,012            | 18,052             |
| Internet                                  | 13,106            | 14,022             |
| Legal expenses                            | 743,635           | 1,341,013          |
| Loss on sale of assets                    | 572               | -                  |
| Loss on sale of shares                    | 141,069           | -                  |
| Meeting attendance                        | 7,220             | 8,280              |
| Members gas accounts                      | 116,418           | 96,188             |
| Members insurance                         | 401,862           | 360,421            |
| Motor vehicle expenses                    | 38,221            | 28,024             |
| Newsletter printing                       | 7,377             | 10,661             |
| Payroll tax                               | 29,452            | 29,454             |
| Police news cost                          | 33,287            | 33,360             |
| Police news postage                       | 1,130             | 870                |
| Portfolio management fees                 | 8,824             | 11,269             |
| Postage                                   | 4,807             | 5,354              |
| Printing and stationery                   | 31,931            | 29,091             |
| Long Service Leave                        | 31,814            | 937                |
| Rates and taxes                           | 105,225           | 81,758             |
| Recruitment costs                         | 9,500             | 1,682              |
| Repairs and maintenance                   | 55,258            | 27,846             |
| Retired members social                    | 5,795             | 8,579              |
| Salaries and salary related expenses      | 795,822           | 785,391            |
| Security expenses                         | 1,877             | 3,911              |
| Seminars, meetings and rallies            | 19,368            | 16,023             |
| Sponsorships and scholarships             | 17,091            | 5,000              |
| Staff amenities                           | 3,365             | 3,766              |
| Subscriptions                             | 12,061            | 11,243             |
| Superannuation                            | 268,465           | 222,802            |
| Telephone                                 | 44,677            | 39,508             |
| Training                                  | 4,580             | 3,261              |
| Travel and accommodation                  | 68,359            | 59,526             |
| Union membership cards                    | 5,632             | 4,659              |
| Union promotion                           | 4,947             | 4,883              |
| Workers compensation                      | 10,879            | 12,002             |
| Wreaths and funeral notices               | 5,235             | 4,319              |
|   | -----             | -----              |
|   | 4,250,034         | 4,322,489          |
|   | -----             | -----              |
| <b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b> | <b>\$ 300,380</b> | <b>\$(194,508)</b> |
|   | =====             | =====              |

*This page is to be read in conjunction with the disclaimer on page 21*