



20 December 2016

Mr George Tilbury  
President  
Police Federation of Australia – Western Australia Police Branch  
639 Murray Street  
WEST PERTH WA 6005

via email: [george.tilbury@wapu.org.au](mailto:george.tilbury@wapu.org.au)

Dear Mr Tilbury

**Application pursuant to section 269 of the Fair Work (Registered Organisations) Act 2009 for the financial year ended 30 June 2016 (FR2016/307)**

I refer to your application pursuant to s269(2)(a) of the *Fair Work (Registered Organisations) Act 2009 (RO Act)*, lodged in the Fair Work Commission (**FWC**) on 9 December 2016, in respect of the Western Australia Police Branch of the Police Federation of Australia (**PFA WA**) for the financial year ended 30 June 2016.

I am satisfied that PFA WA is a reporting unit and that its financial affairs for the financial year ended 30 June 2016 were encompassed by the Western Australian Police Union of Workers (the Association), an associated State body registered under the *Industrial Relations Act 1979 (WA)*. The attached certificate reflects this decision.

I make the following comment in relation to the application lodged and the required information to be provided in the Operating Report. Section 254(2)(b) of the RO Act requires an Operating Report to give details of any significant changes in the reporting unit's financial affairs during the year. The PFA WA Operating Report makes no statement in relation to the financial affairs of the Branch. Please ensure that in future years the Operating Report includes a statement in relation to significant changes in the Branches financial affairs during the year or include the wording '*there were no significant changes in the financial affairs of the Branch during the reporting period*'.

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](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

Chris Enright  
Director  
Regulatory Compliance Branch

PR588829



# CERTIFICATE

*Fair Work (Registered Organisations) Act 2009*

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

**Police Federation of Australia – Western Australia Police Branch**  
(FR2016/307)

MR ENRIGHT

MELBOURNE, 20 DECEMBER 2016

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

[1] On 9 December 2016 an application was made under s269(2)(a) of the *Fair Work (Registered Organisations) Act 2009* (the Act) by the Western Australia Police Branch of the Police Federation of Australia (the reporting unit) for a certificate stating that the financial affairs of the reporting unit 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 ended 30 June 2016.

[2] On 12 December 2016, the reporting unit lodged a copy of the audited accounts of the Association with the Fair Work Commission (the Commission).

[3] I am satisfied that the Association:

- is a 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 reporting unit; and
- has, or purports to have, officers who are substantially the same as designated officers in relation to the reporting unit; and
- is an associated State body.

[4] I am further satisfied that:

- the Association has in accordance with prescribed State legislation, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the accounts with the relevant State authority;

- any member of the reporting unit 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 reporting unit who are members of the Association;
- a report under s.254 of the Act has been prepared in respect of those activities of the reporting unit and has been provided to the members of the reporting unit with copies of the accounts; and
- a copy of the audited accounts was lodged with the Commission on 12 December 2016.

[5] I am satisfied that the financial affairs of the reporting unit in respect of the financial year ending 30 June 2016, are encompassed by the financial affairs of the Association and I certify accordingly under s269(2)(a) of the Act.



DELEGATE OF THE GENERAL MANAGER

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<Price Code A>



# Police Federation of Australia

Western Australia Police Branch  
639 Murray Street  
WEST PERTH WA 6005  
Telephone: 08 9321 2155  
Facsimile: 08 9321 2177  
Email: admin@wapu.org.au

Our Ref: C0457

09 December 2016

General Manager  
Fair Work Commission  
GPO Box 1994  
MELBOURNE VIC 3001

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

The Police Federation of Australia Western Australia Police Branch makes application pursuant to s.269 of the Fair Work (Registered Organisations) Act 2009, to be taken to have satisfied Part 3 of the Act.

### **RELIEF SOUGHT**

- That the General Manager 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 the *Fair Work (Registered Organisations) Act 2009*

### **GROUNDINGS AND REASONS**

S.269 of the Act 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 the Act based 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 on and lodged the audited accounts with the Registrar of the Western Australian Industrial Relations Commission; and
- b) A copy of the audited accounts has already been submitted;
- 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*
- d) The audited accounts and operating report have been made available to Branch Members
- e) A copy of the Operating Report is attached

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 the Act 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 Secretary Mr Paul Hunt email on [paul.hunt@wapu.org.au](mailto:paul.hunt@wapu.org.au) or by phone on (08) 9321 2155.

Yours sincerely

  
**George Tilbury**  
**Branch President**

**POLICE FEDERATION OF AUSTRALIA  
WESTERN AUSTRALIA POLICE BRANCH**

**Operating Report** for year ended 30 June 2016  
Made pursuant to s.254 of the Fair Work (Registered Organisations) Act 2009

**Principal Activities**

The principal activities of the Branch during the reporting period were to provide industrial and organising services to the members, consistent with the objects of the Federation and particularly the object of protecting and improving the interests of the members. S.254(2)(a)

There were no significant changes in the nature of the Branch's principal activities during the reporting period. (s.254)(2)(a)

**Manner of Resignation**

Members may resign from the Branch in accordance with Rule 11.

**Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme s.254(2)(d).**

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

**Number of members**

The number of persons who, at the end of the reporting period, were recorded on the register of members of the Branch was 6,394.

### **Number of employees**

The number of persons who were, at the end of the reporting period, employees of the branch was nil.

### **Members of Committee Management**

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

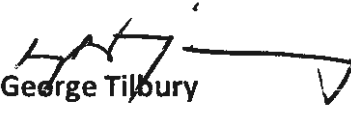
#### **Up until 30 November 2015**

TILBURY	George	Branch President
SHORTLAND	Brandon	Branch Senior Vice President
ARNOTT	Harry	Branch Vice President
KELLY	Michael	Branch Treasurer
GILL	Michael	Branch Executive
MCDONALD	Kevin	Branch Executive
POTTHOFF	Peter	Branch Executive
RUSSELL	Harry	Branch Executive
GARRATT	Lindsay	Branch Executive
MACEY	Graeme	Branch Executive
ADAMSON	Ward	Branch Executive
MCGEE	Peter	Branch Executive
HENDERSON	Michael	Branch Executive
JOHNSON	Mark	Branch Executive
CURTIS	Dave	Branch Executive

#### **Up until 30 June 2016 (All elected E2015 – 189).**

TILBURY	George	Branch President
SHORTLAND	Brandon	Branch Senior Vice President
ARNOTT	Harry	Branch Vice President
KELLY	Michael	Branch Treasurer
CURTIS	Dave	Branch Executive
GILL	Michael	Branch Executive
MCDONALD	Kevin	Branch Executive
POTTHOFF	Peter	Branch Executive
RUSSELL	Harry	Branch Executive
GARRATT	Lindsay	Branch Executive

ADAMSON	Ward	Branch Executive
MCGEE	Peter	Branch Executive
PATERSON	Michael	Branch Executive
JOHNSON	Mark	Branch Executive
HENDERSON	Michael	Branch Executive

  
**George Tilbury**  
**Branch President**

09 November 2016



# **Western Australian Police Union of Workers**

**ABN: 11 005 082 386**

## **Summary Financial Statements**

**For the Year Ended 30 June 2016**

# Western Australian Police Union of Workers

ABN: 11 005 082 386

## Contents

For the Year Ended 30 June 2016

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*The summary financial statements and other specific disclosures have been derived from Western Australian Police Union of Workers (the 'union') full financial statements for the year ended 30 June 2016. Other information included in the summary financial statements is consistent with the union's full financial statements.*

*The summary financial statements does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position, operating, financing and investing activities of the union as the full financial statements.*

*A copy of the union's full 2016 financial statements, including the independent auditor's report, is available to all members upon request.*

# Western Australian Police Union of Workers

ABN: 11 005 082 386

## Statement by the Secretary

In my opinion, the attached summary financial statements of the Western Australian Police Union of Workers (the 'union'), which have been derived from and are consistent with the full financial statements of the union and are set out in the attached pages are properly drawn up so as to present fairly the state of affairs of the union as at 30 June 2016 and the results of its operations and its cash flows for the year then ended.



Secretary.....

Paul Hunt

Dated 27 October 2016  
West Perth, Western Australia

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Summary Financial Statements**

The accompanying summary financial statements, which comprises the summary statement of financial position as at 30 June 2016, the summary statement of profit or loss and other comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, related notes and statement by the Secretary, are derived from the audited financial statements of the Western Australian Police Union of Workers for the year ended 30 June 2016. We expressed an unmodified audit opinion on the financial statements in our report dated 28 October 2016.

The summary financial statements do not contain all the disclosures required by Australian Accounting Standards - Reduced Disclosure Requirements and the *Industrial Relations Act 1979 (WA)*. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Western Australian Police Union of Workers.

*The Board of Directors' Responsibility for the Summary Financial Statements*

The Board of Directors are responsible for the preparation of a summary of the audited financial statements on the basis described in Note 1.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

*Opinion*

In our opinion the summary financial statements derived from the audited financial report of Western Australian Police Union of Workers for the year ended 30 June 2016 are consistent, in all material respects, with the audited financial statements, on the basis described in Note 1.

Date: 27 October 2016  
West Perth, Western Australia

  
**DRY KIRKNESS**

  
**B ROTHMAN**  
Partner

# Western Australian Police Union of Workers

ABN: 11 005 082 386

## Summary Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	2	6,541,710	6,047,965
Administration expenses		(219,543)	(123,718)
Building expenses		(463,169)	(452,378)
Depreciation and amortisation expense		(416,698)	(425,632)
Employee benefits expense		(1,724,872)	(1,590,903)
Finance costs		(26,500)	(59,525)
Legal expenses		(764,498)	(543,016)
Members' insurance		(1,059,056)	(979,428)
Other member expenses		(480,782)	(553,888)
Other expenses		(1,032,989)	(881,635)
<b>Profit before income tax</b>		<b>353,603</b>	<b>437,842</b>
Income tax expense		-	-
<b>Profit for the year</b>		<b>353,603</b>	<b>437,842</b>
<b>Other comprehensive income:</b>			
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>353,603</b>	<b>437,842</b>

The accompanying notes form part of these financial statements.

# Western Australian Police Union of Workers

ABN: 11 005 082 386

## Summary Statement of Financial Position

As At 30 June 2016

	2016	2015
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	3,506,427	3,055,568
Trade and other receivables	15,638	23,620
Other assets	106,762	117,068
<b>TOTAL CURRENT ASSETS</b>	<b>3,628,627</b>	<b>3,196,256</b>
<b>NON-CURRENT ASSETS</b>		
Financial assets	-	5,000
Property, plant and equipment	4,914,758	5,089,291
Other assets	13,578	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>4,928,336</b>	<b>5,094,291</b>
<b>TOTAL ASSETS</b>	<b>8,557,163</b>	<b>8,290,547</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	519,437	356,893
Employee benefits	250,484	257,736
Borrowings	351,701	653,255
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,121,622</b>	<b>1,267,884</b>
<b>NON-CURRENT LIABILITIES</b>		
Employee benefits	113,093	53,818
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>113,093</b>	<b>53,818</b>
<b>TOTAL LIABILITIES</b>	<b>1,234,715</b>	<b>1,321,702</b>
<b>NET ASSETS</b>	<b>7,322,448</b>	<b>6,968,845</b>
<b>EQUITY</b>		
Reserves	1,353,782	1,353,782
Retained earnings	5,968,666	5,615,063
<b>TOTAL EQUITY</b>	<b>7,322,448</b>	<b>6,968,845</b>

The accompanying notes form part of these financial statements.

# Western Australian Police Union of Workers

ABN: 11 005 082 386

## Summary Statement of Changes in Equity

For the Year Ended 30 June 2016

2016

	Retained Earnings	Asset Revaluation Reserve	Asset Realisation Reserve	Capital Profits Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2015	5,615,063	73,000	419,135	861,647	6,968,845
Profit attributable to the members	353,603	-	-	-	353,603
<b>Balance at 30 June 2016</b>	<b>5,968,666</b>	<b>73,000</b>	<b>419,135</b>	<b>861,647</b>	<b>7,322,448</b>

2015

	Retained Earnings	Asset Revaluation Reserve	Asset Realisation Reserve	Capital Profits Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2014	5,177,221	73,000	419,135	861,647	6,531,003
Profit attributable to the members	437,842	-	-	-	437,842
<b>Balance at 30 June 2015</b>	<b>5,615,063</b>	<b>73,000</b>	<b>419,135</b>	<b>861,647</b>	<b>6,968,845</b>

The accompanying notes form part of these financial statements.

# Western Australian Police Union of Workers

ABN: 11 005 082 386

## Summary Statement of Cash Flows

For the Year Ended 30 June 2016

	2016	2015
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Members' income and other receipts	7,082,981	6,547,761
Payments to suppliers and employees	(6,156,581)	(5,723,116)
Interest received	67,152	83,059
Finance costs	(26,500)	(59,525)
Net cash provided by operating activities	<u>967,052</u>	<u>848,179</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant and equipment	88,272	-
Purchase of property, plant and equipment	(302,911)	(160,610)
Net cash used in investing activities	<u>(214,639)</u>	<u>(160,610)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings	(301,554)	(417,998)
Net cash used in financing activities	<u>(301,554)</u>	<u>(417,998)</u>
Net increase in cash and cash equivalents held	450,859	269,571
Cash and cash equivalents at beginning of year	<u>3,055,568</u>	<u>2,785,997</u>
Cash and cash equivalents at end of financial year	<u><u>3,506,427</u></u>	<u><u>3,055,568</u></u>

The accompanying notes form part of these financial statements.



# Western Australian Police Union of Workers

ABN: 11 005 082 386

## Notes to the Summary Financial Statements

For the Year Ended 30 June 2016

### 1 Basis of preparation of the Summary Financial Statements

The summary financial statements, specific disclosures and other information included in the summary financial statements is derived and is consistent with the full financial statements of the union for the year ended 30 June 2016 and is presented in Australian dollars. The summary financial statements cannot be expected to provide as detailed an understanding of the financial performance, financial position, operating, financing and investing activities of the union as the full financial statements 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 statements.

A copy of the full financial statements for the year ended 30 June 2016 is available on request.

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

### 2 Revenue and Other Income

	2016	2015
	\$	\$
Operating activities		
- member subscriptions	5,949,082	5,371,700
- member promotions	35,006	101,164
- rental income	270,134	279,485
- other	187,889	194,530
	<u>6,442,111</u>	<u>5,946,879</u>
Non-operating activities		
- other interest received	72,073	82,860
- operating grants	-	18,226
- gain on disposal of property, plant and equipment	27,526	-
	<u>99,599</u>	<u>101,086</u>
<b>Total Revenue</b>	<u><u>6,541,710</u></u>	<u><u>6,047,965</u></u>

### 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**

**ABN: 11 005 082 386**

**For the Year Ended 30 June 2016**

## **Discussion and Analysis of the Summary Financial Statements**

The Directors set out below the following discussion and analysis of the performance and state of affairs of the WA Police Union (WAPU) for the year ended 30 June 2016.

### ***Summary Statement of Financial Position***

WAPU has continued its positive performance into 2015-2016 with another increase in net assets taking this end of year balance to \$7.32 million.

Our cash holdings have increased to \$3.5 million with the majority of funds held in short term investment accounts. Of this \$1.28 million is allocated to the Death Benefit Fund which is held to cover any shortfalls in death benefits payable to our Members. Interest rates on our investment accounts held with P&N Bank remained around 3.0% during this period which is still a competitive in the current market. In accordance with policy there was change over required within our Motor Vehicle fleet however with annual depreciation there was still only a minor shift in the overall value of our property, plant and equipment.

We continue to reduce our commercial loan that was drawn down to facilitate the refurbishment of WAPU HQ in 2014. Principal loan repayments of \$300K made during the current financial year has reduced the loan balance to \$350K. Our loan is held with P&N Bank and we are confident to have this paid within the next two years.

### ***Summary Statement of Profit or Loss and Other Comprehensive Income***

Overall revenue was \$6.5 million, an increase from last year mainly due to 27 fortnights of subscriptions this financial year. The large majority of our income is still generated from membership subscriptions which increased in line with the pay adjustments on 1 July 2015.

There was however a corresponding increase in expenditure due to the additional payment on Member's Group Insurance premiums, adjustments to employee benefits and an increase in legal expenses with a number of high profile cases requiring additional funding this year.

### ***Summary Statement of Changes in Equity***

Equity movements comprise the surplus for the year of \$353,603.

### ***Summary Statement of Cash flow***

With the additional increase in revenue, our income still covers our expenditure and therefore a positive net cash flow was recorded.

There was as slight increase in cash flow required to fund the replacement Motor Vehicles & furniture for the Busselton Units however the continued reduction of the current commercial loan also reduced the amount of cash flow required for financing.

### ***Overall comment***

We are pleased to report that the management of our cash flow throughout this financial period has again resulted in a surplus for this financial year. WAPU continues to be in a sound financial position with a very strong asset base and we are confident of meeting all of our liabilities in the future.



8 December 2016

Mr George Tilbury  
President  
Police Federation of Australia-Western Australia Police Branch

Sent via email: [george.tilbury@wapu.org.au](mailto:george.tilbury@wapu.org.au)

Dear Mr Tilbury,

### **Lodgement of Financial Report - Reminder to lodge**

The Fair Work Commission's (the Commission) records disclose that the financial year of the Police Federation of Australia-Western Australia Police Branch (the reporting unit) ended on the 30 June 2016.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the full financial report to be presented to a general meeting of members or a committee of management meeting is six months after the expiry date of its financial year (s.253, s254, s265, s.266, s.268). The full report must be lodged with the Commission within 14 days of that meeting.

The Commission encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$54,000 per contravention on the organisation and up to \$10,800 per contravention on an officer whose conduct led to the contravention.

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.

We encourage you to lodge the full financial report directly to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au). That is the official email address for electronic lodgements of material related to registered organisations matters.

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

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)

Should you seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at [Sam.Gallichio@fwc.gov.au](mailto:Sam.Gallichio@fwc.gov.au).

Yours sincerely,



Sam Gallichio  
Adviser  
Regulatory Compliance Branch



15 July 2016

Mr George Tilbury  
President  
Police Federation of Australia-Western Australia Police Branch  
By email: [george.tilbury@wapu.org.au](mailto:george.tilbury@wapu.org.au)

Dear Mr Tilbury,

**Re: Lodgement of Financial Report - [FR2016/307]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Police Federation of Australia-Western Australia 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](mailto: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](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://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](mailto:orgs@fwc.gov.au).

Yours sincerely,

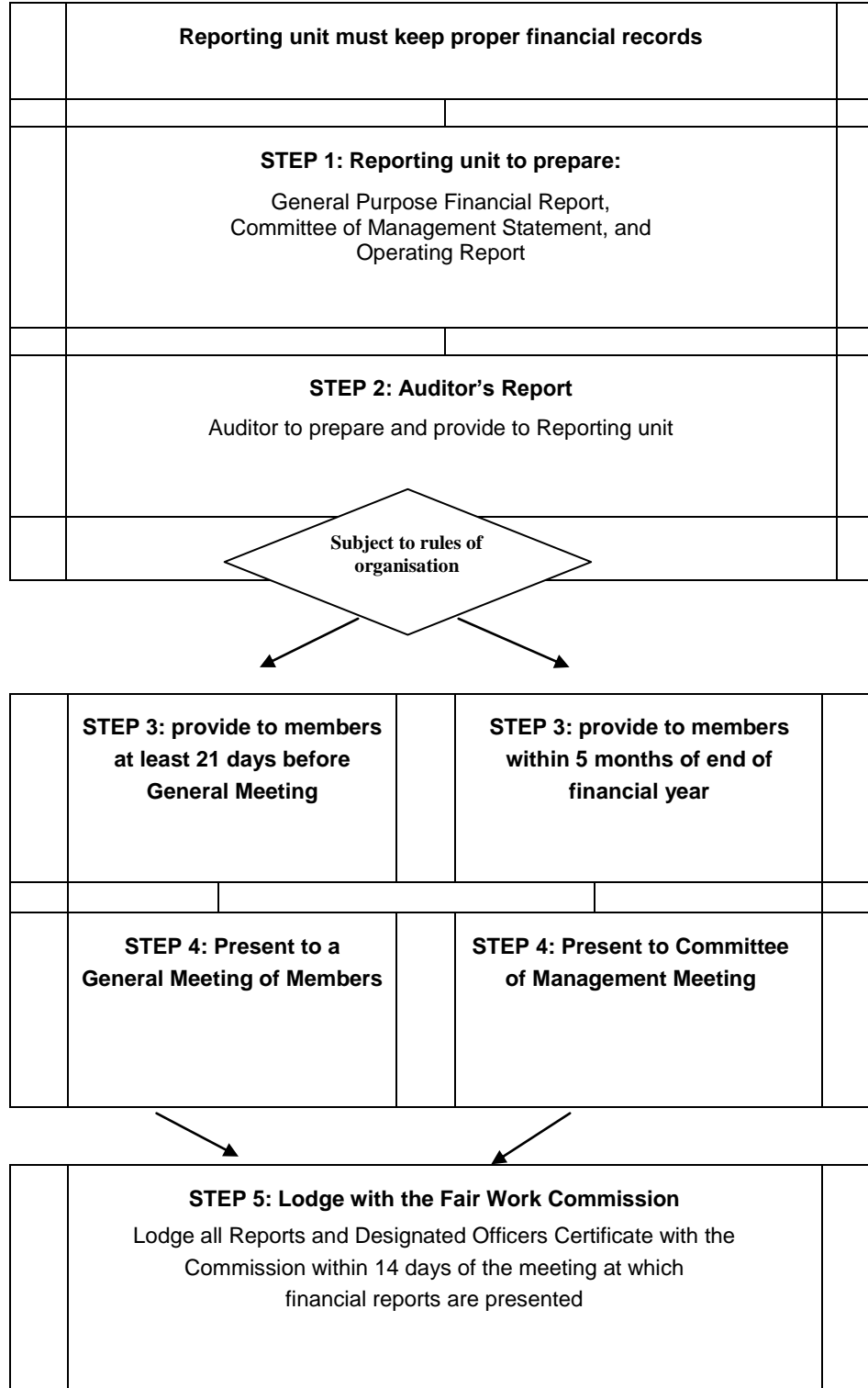


Anastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch

# 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	-	-
<b>Total grants or donations</b>	<b>-</b>	<b>-</b>

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](mailto:orgs@fwc.gov.au)