



## **Police Federation of Australia**

ABN: 31 384 184 778

### **Financial Statements**

For the Year Ended 30 June 2024



# Police Federation of Australia

ABN: 31 384 184 778

---

## Financial Statements

For the Year Ended 30 June 2024

Contents	Page
Operating Report	1
Committee of Management Statement	4
Statement of Profit or Loss and Other Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Officer Declaration Statement	31
Report Required under Subsection 255(2A)	33
Independent Audit Report	34

# Police Federation of Australia

ABN: 31 384 184 778

---

## Operating Report

For the Year Ended 30 June 2024

The Committee of Management presents its operating report of the Police Federation of Australia ("the Federation") for the year ended 30 June 2024.

### Names of Committee of Management members and period positions held during the financial year

The names of each person who has been on the Committee of Management during the financial year are:

Name	Position	Period of Appointment
Ian Leavers	President	1/7/2023 to 30/6/2024
Alex Caruana	Vice President	1/7/2023 to 30/6/2024
Kevin Morton	Vice President	1/7/2023 to 30/6/2024
Karl Reiter (aka David)	Treasurer	1/7/2023 to 30/6/2024
Mark Carroll	Executive	1/7/2023 to 30/6/2024
Nathan Finn	Executive	1/7/2023 to 30/6/2024
Paul Gale	Executive	1/7/2023 to 30/6/2024

### Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

There have been no significant changes in activities of the PFA during the past year as we continue to pursue our key initiatives as outlined in our 2022-27 Strategic Plan.

A detailed record of the Federation's activities can be found in the annual report which will be presented to the Federal Council in September 2023 and uploaded to the Federation's website.

The PFA continues to monitor the hearings and activities of a range of Parliamentary Committees inquiries including:

- Australian Commission for Law Enforcement Integrity – Annual Report
- Parliamentary Joint Committee on Law Enforcement – Annual Report
- Department of Home Affairs – Annual Report
- National Anti-Corruption Commission Bill 2022 and the National Anti-Corruption Commission (Consequential and Transitional Provisions) Bill 2022
- Presumptive Workers' Compensation Provisions for First Responders - Stakeholder Consultation Submission
- Inquiry into Experience, Opportunities & Challenges for co-investment in multi-carrier regional mobile infrastructure (black spot issues)
- Treasury Employment White Paper
- Inquiry into community Safety, support services and job opportunities in the Northern Territory
- Challenges and Opportunities for law enforcement in addressing Australia's Illicit Drug Problem
- Inquiry into Criminal Activity & Law Enforcement during the COVID-19 Pandemic
- Intelligence Oversight & Other Legislation Amendment (Integrity Measures) Bill 2020
- Review of Surveillance Legislation Amendment (Identify & Disrupt) Bill 2020
- Security Legislation (Critical Infrastructure Protection) Bill 2022
- In-camera hearing by Parliamentary Joint Committee on Law Enforcement's Inquiry into Illicit Tobacco
- Mental Health & Suicide Prevention Inquiry
- Inquiry into Family Law Amendment (Federal Family Violence Orders) Bill 2021
- Inquiry into the Inadequacy & Efficacy of Australia' Anti-money Laundering & Counter -Terrorism Financing Regime

# Police Federation of Australia

ABN: 31 384 184 778

---

## Operating Report

For the Year Ended 30 June 2024

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

- 2021 Regional Telecommunications Review
- Telecommunication Legislation Amendment (Information Disclosure) Bill 2022
- Inquiry into the Perceptions and Status of Vocational Education and Training
- Paid Parental Leave Amendment (Improvements for Families and Gender Equality) Bill 2022
- Treasury's Review of Legislating the Objectives of Superannuation.

We are also prioritising activities around:

- Superannuation;
- Salary Packaging;
- Member benefits programs;
- Member mental health & wellbeing;
- Industrial and other member entitlements;
- Research;
- Financial governance;
- Police recruitment and retention;
- The creation of a National Firearms Registry;
- Police Officer education and training;
- Member OH&S; and
- Equity and diversity of the police workforce.

No significant changes in the nature of the Federation's activities occurred during the financial year.

A review of the operations and the results of the Federation is performed in regular meetings of the Committee of Management. The Committee of Management believe that they have furthered the interests of its members throughout the year through the conducting of the Federation's principal activities.

The surplus for the Federation for the year ended 30 June 2024 was \$10,752 (2023: \$62,681) and the Committee of Management believe that the activities of the Federation have achieved their objectives for the financial year.

### Significant changes in financial affairs

There were no significant changes in the financial affairs of the Federation during the year.

### Right of members to resign

A member may resign from the membership of the Federation by notice in writing addressed and delivered to the Secretary of the member's Branch, Zone Secretary or Chief Executive Officer, as per Rule 11(b). In accordance with Section 174(1) of the RO Act, a member of the organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Operating Report

For the Year Ended 30 June 2024

Officers or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

No officer or employee of the Federation acts:

- i) as a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii) as a director of a Company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

### Number of members

There were 65,020 members of the Federation as at 30 June 2024 (2023: 65,287).

### Number of employees

As at 30 June 2024 the Federation had 2 full-time equivalent employees (2023: 3).

Signed in accordance with a resolution of the Committee of Management:



Karl David  
Treasurer

Dated: 16 September 2024



Kevin Morton  
Vice President

# Police Federation of Australia

ABN: 31 384 184 778

---

## Committee of Management Statement

For the Year Ended 30 June 2024

On 16 September 2024 the Committee of Management of the Police Federation of Australia ("the Federation") passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2024:


The Committee of Management declares that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Federation for the financial year to which they relate;
- d) there are reasonable grounds to believe that the Federation will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the GPFR relates and since the end of that year:
  - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - ii. the financial affairs of the Federation have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - iii. the financial records of the Federation have been kept and maintained in accordance with the RO Act; and
  - iv. where the organisation consists of two or more reporting units, the financial records of the Federation have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - v. where information has been sought in any request by a member of the Federation or the General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; and
  - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.


This declaration is made in accordance with a resolution of the Committee of Management.



Karl David  
Treasurer



Kevin Morton  
Vice President



Dated: 16 September 2024

# Police Federation of Australia

ABN: 31 384 184 778

---

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue from contracts with customers	3	1,281,633	1,277,622
Other income	3	15,652	23,408
		<u>1,297,285</u>	<u>1,301,030</u>
Employee benefits expense	4	(470,551)	(449,543)
Delegation expenses		(309,601)	(335,876)
Depreciation expense		(105,307)	(102,349)
National Foundation expenses		(30,686)	(30,319)
Industrial Relations Campaign		(115,250)	-
Property expenses		(62,719)	(62,729)
Professional fees		(54,120)	(81,782)
Computer and web design costs		(63,018)	(54,866)
Other expenses		(76,341)	(120,885)
<b>Result for the year</b>		<u>9,692</u>	<u>62,681</u>
Other comprehensive income for the year			
Revaluation of property		850,954	-
<b>Total comprehensive income/(loss) for the year</b>		<u>860,646</u>	<u>62,681</u>

The accompanying notes form part of these financial statements.



# Police Federation of Australia

ABN: 31 384 184 778

## Balance Sheet

As at 30 June 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	1,014,656	460,614
Trade and other receivables	6	36,497	6,572
Financial assets	7	-	500,000
Prepayments		68,409	55,083
<b>TOTAL CURRENT ASSETS</b>		<b>1,119,562</b>	<b>1,022,269</b>
<b>NON-CURRENT ASSETS</b>			
Right-of-use assets	8	-	1,403
Property, plant and equipment	9	2,472,564	1,671,766
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,472,564</b>	<b>1,673,169</b>
<b>TOTAL ASSETS</b>		<b>3,592,126</b>	<b>2,695,438</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	99,887	82,962
Employee benefits	11	191,642	168,551
Lease liabilities	8	-	1,505
<b>TOTAL CURRENT LIABILITIES</b>		<b>291,529</b>	<b>253,018</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	11	530	2,999
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>530</b>	<b>2,999</b>
<b>TOTAL LIABILITIES</b>		<b>292,059</b>	<b>256,017</b>
<b>NET ASSETS</b>		<b>3,300,067</b>	<b>2,439,421</b>
<b>EQUITY</b>			
Reserves	12	1,423,028	572,074
Retained earnings		1,877,039	1,867,347
<b>TOTAL EQUITY</b>		<b>3,300,067</b>	<b>2,439,421</b>

The accompanying notes form part of these financial statements.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Statement of Changes in Equity

For the Year Ended 30 June 2024

	Retained Earnings	Asset Revaluation Reserve	Total
Note	\$	\$	\$
Balance at 1 July 2023	1,867,347	572,074	2,439,421
Result for the year	9,692	-	9,692
Revaluation adjustment	9(a) -	850,954	850,957
Balance at 30 June 2024	<u>1,877,039</u>	<u>1,423,028</u>	<u>3,300,067</u>
Balance at 1 July 2022	1,804,666	572,074	2,376,740
Result for the year	62,681	-	62,681
Balance at 30 June 2023	<u>1,867,347</u>	<u>572,074</u>	<u>2,439,421</u>

The accompanying notes form part of these financial statements.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Statement of Cash Flows

For the Year Ended 30 June 2024

	Note	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from members		1,379,048	1,408,917
Other receipts		13,063	23,696
Payments to suppliers and employees		(1,284,481)	(1,329,532)
Interest received		3,777	1,866
Finance costs		(9)	(317)
Net cash provided by/(used in) by operating activities	18(a)	<u>111,398</u>	<u>104,630</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payments for plant and equipment		(84,942)	(90,555)
Proceeds from sale of assets		29,091	-
Net cash provided by/(used in) investing activities		<u>(55,851)</u>	<u>(90,555)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Loan from/(to) related party	7	500,000	(500,000)
Payment of finance lease liabilities		(1,505)	(8,773)
Net cash provided by/(used in) financing activities		<u>498,495</u>	<u>(508,773)</u>
Net increase/(decrease) in cash and cash equivalents held		554,042	(494,698)
Cash and cash equivalents at beginning of year		460,614	955,312
Cash and cash equivalents at end of year	5	<u>1,014,656</u>	<u>460,614</u>

The accompanying notes form part of these financial statements.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Material Accounting Policy Information

#### (a) Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009* (RO Act). For the purpose of preparing the general purpose financial statements, the Police Federation of Australia ("the Federation") is a not-for-profit, other incorporated entity, incorporated and domiciled in Australia.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### (b) Comparative figures

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

#### (c) Revenue and other income

##### *Revenue from contracts with customers*

Revenue is recognised on a basis that reflects the transfer of control of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as and when control of the performance obligations is transferred.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Federation have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Material Accounting Policy Information

#### (c) Revenue and other income

The revenue recognition policies for the principal revenue streams of the Federation are:

##### Membership services

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Federation.

There is only one distinct membership service promised in the arrangement. Accordingly, the Federation recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Federation promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Federation allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Federation charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Federation recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For capitation fees paid annually in advance, the Federation has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a branch subsequently purchases additional goods or services from the Federation at their standalone selling price, the Federation accounts for those sales as a separate contract with a customer.

##### Capitation fees

Where the Federation's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Federation recognises the capitation fees promised under that arrangement when or as it transfers services rendered.

In circumstances where the criteria for a contract with a customer are not met, the Federation will recognise capitation fees as income upon receipt.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Material Accounting Policy Information

#### (d) Capitation fees and levies paid

Capitation fees and levies are recognised on an accrual basis and recorded as an expense in the year to which it relates.

#### (e) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (f) Income tax

The Federation is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

#### (g) Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

#### (h) Financial instruments

##### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost.

The Federation's financial assets measured at amortised cost comprise trade and other receivables, related party loans and cash and cash equivalents in the balance sheet.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Material Accounting Policy Information

#### (h) Financial instruments

##### Financial assets

###### *Trade receivables and contract assets*

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Federation renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

###### *Impairment of financial assets*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Federation has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in bad debt expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Federation renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

##### Financial liabilities

The financial liabilities of the Federation comprise trade and other payables and lease liabilities.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Material Accounting Policy Information

#### (i) Leases

##### Lessee accounting

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

##### *Exceptions to lease accounting*

The Federation has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Federation recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

#### (j) Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

#### (k) Property, plant and equipment

##### Asset recognition threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

##### Land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.



# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Material Accounting Policy Information

#### (k) Property, plant and equipment

##### Land and buildings

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

##### Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant, equipment and furniture	7.5% - 33%
Motor Vehicles	15%

##### Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

#### (l) Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than the carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Federation were deprived of the asset, its recoverable amount is its fair value.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Material Accounting Policy Information

#### (l) Impairment of non-financial assets

In other cases, for the purposes of determining recoverable amount, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

#### (m) Fair value measurement

The Federation measures non-financial assets such as land and buildings, at fair value at each balance sheet date.

Freehold land and buildings are carried at fair value based on periodic valuations by external valuers, less subsequent depreciation for buildings. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model; or on a triennial basis, whichever comes first.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Federation. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Federation determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 2 Critical Accounting Estimates and Judgements

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

#### *Key estimates - property held at fair value*

An independent valuation of property (land and buildings) carried at fair value was obtained effective 24 May 2024. The Committee of Management have reviewed this valuation and consider it to be appropriate for reflecting the fair value of the property as at the current balance date. The valuation is an estimation which would only be realised if the property is sold. Note 9(a) provides information on the valuation obtained.

#### *Key estimates - useful lives of depreciable assets*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain property, plant and equipment.

#### *Key estimates - employee entitlements*

As described in the accounting policies, employee provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 3 Revenue and other income

	2024	2023
	\$	\$
<b>Revenue from contracts with customers</b>		
<i>Revenue received from other reporting units</i>		
Australian Federal Police Association	77,870	75,295
Police Association of New South Wales	328,058	326,134
Police Association of South Australia	90,650	90,658
Police Association of Tasmania	27,274	26,947
Police Association of Northern Territory	31,379	30,688
Queensland Police Union	234,710	231,488
Police Association of Victoria	335,845	338,128
Western Australian Police Union	132,611	134,829
Other - Police Association of New Zealand	23,236	23,455
	<u>1,281,633</u>	<u>1,277,622</u>
<b>Other income</b>		
Interest income	3,777	1,866
Other income	11,875	21,542
	<u>15,652</u>	<u>23,408</u>
	<u>1,297,285</u>	<u>1,301,030</u>

#### Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated; the following table shows this breakdown:

Timing of revenue recognition		
- Over time	1,281,633	1,277,622
- At a point in time	-	-
	<u>1,281,633</u>	<u>1,277,622</u>

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 4 Result for the period

The result for the period includes the following specific expenses

	Note	2024 \$	2023 \$
Employee benefits expense comprises:			
<i>Employees other than office holders*:</i>			
- Wages and salaries		382,971	380,658
- Superannuation		46,029	45,024
- Leave and other entitlements		41,551	23,861
		<u>470,551</u>	<u>449,543</u>
Conference and meeting expenses		194,787	248,366
Legal costs - other legal matters		-	14,722

\* There are no employees of the Federation that are elected to any Officer positions, as defined under the Fair Work (Registered Organisations) Act 2009.

### 5 Cash and cash equivalents

Cash at bank		<u>1,014,656</u>	<u>460,614</u>
--------------	--	------------------	----------------

### 6 Trade and other receivables

Trade receivables		36,497	6,572
Provision for impairment	(a)	-	-
		<u>36,497</u>	<u>6,572</u>

#### (a) Impairment of receivables

The Federation applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses incorporate forward looking information. There is no provision for impairment required at 30 June 2024 (2023: Nil).

# Police Federation of Australia

ABN: 31 384 184 778

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 6 Trade and other receivables

#### (b) Receivables from other reporting units

	2024	2023
	\$	\$
Police Association of New South Wales	30,072	-
Police Association of Tasmania	719	260
Police Association of Northern Territory	-	1,000
Police Association of Victoria	-	316
Receivables from other reporting units (net)	<u>30,791</u>	<u>1,576</u>

#### (c) Credit risk - Trade and Other Receivables

The following table details the Federation's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Federation and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Federation.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)		Within initial trade terms
			> 30	> 90	
	\$	\$	\$	\$	\$
<b>2024</b>					
Trade receivables	36,497	-	-	719	35,778
<b>2023</b>					
Trade receivables	3,840	-	-	-	3,840

There are no balances within trade receivables that contain assets that are not impaired and are past due. It is expected that these balances will be received when due.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 7 Financial Assets

#### Loans to Related Party

	2024	2023
	\$	\$
Loans to other reporting units		
Police Association of Northern Territory	-	500,000

The loan was repaid in full during the current year.

### 8 Leases

#### Federation as a lessee

The Federation has leases over IT equipment. The lease has been fully repaid as at the end of the year.

#### Right-of-use assets

	Computer Equipment \$
<b>Year ended 30 June 2024</b>	
Balance at beginning of year	1,403
Depreciation charge	(1,403)
<b>Balance at end of year</b>	<u>-</u>

#### Year ended 30 June 2023

Balance at beginning of year	9,824
Depreciation charge	(8,421)
<b>Balance at end of year</b>	<u>1,403</u>

#### Lease liabilities

Current	<u>-</u>	<u>1,505</u>
---------	----------	--------------

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 8 Leases

#### Lease liabilities maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Balance Sheet
	\$	\$	\$	\$	\$
<b>2024</b>					
Lease liabilities	-	-	-	-	-
<b>2023</b>					
Lease liabilities	1,515	-	-	1,515	1,505

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

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Federation is a lessee are shown below:

	2024	2023
	\$	\$
Interest expense on lease liabilities	9	317
Depreciation of right-of-use assets	1,403	8,421
	<u>1,412</u>	<u>8,738</u>

#### Statement of Cash Flows

Total cash outflow for leases	<u>1,515</u>	<u>8,773</u>
-------------------------------	--------------	--------------



# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 9 Property, plant and equipment

	Note	2024 \$	2023 \$
<b>Land and buildings</b>			
At independent valuation	9(a)	2,340,000	1,553,286
Accumulated depreciation		-	(42,382)
		<u>2,340,000</u>	<u>1,510,904</u>
<b>Plant and equipment</b>			
At cost		289,408	268,636
Accumulated depreciation		(229,914)	(160,624)
		<u>59,494</u>	<u>108,012</u>
<b>Motor vehicles</b>			
At cost		84,941	74,779
Accumulated depreciation		(11,871)	(21,929)
		<u>73,070</u>	<u>52,850</u>
<b>Total property, plant and equipment</b>		<u><u>2,472,564</u></u>	<u><u>1,671,766</u></u>

#### (a) Valuation of land and buildings

An independent valuation of 21 Murray Crescent, Griffith, ACT, was performed as at 24 May 2024. Management believe this valuation reflects the fair value of the property as at 30 June 2024. The original cost of the land and buildings was \$996,249. As a result, a revaluation surplus was further credited to the asset revaluation reserve in equity (refer note 12) by \$850,954.

The Federation obtains independent valuations for its land and buildings at least every three years. At the end of each reporting period, the Federation update their assessment of the fair value, taking into account the most recent independent valuation. The Committee determine value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties.

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 9 Property, plant and equipment

#### (b) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and buildings \$	Plant, equipment and furniture \$	Motor Vehicles \$	Total \$
<b>Year ended 30 June 2024</b>				
Balance at the beginning of year	1,510,904	108,012	52,850	1,671,766
Additions	-	20,772	64,170	84,942
Revaluation increment	850,954	-	-	850,954
Disposals	-	-	(31,194)	(31,194)
Depreciation expense	(21,858)	(69,290)	(12,756)	(103,904)
<b>Balance at the end of the year</b>	<b>2,340,000</b>	<b>59,494</b>	<b>73,070</b>	<b>2,472,564</b>
<b>Year ended 30 June 2023</b>				
Balance at the beginning of year	1,532,761	102,197	40,181	1,675,139
Additions	-	69,784	20,771	90,555
Depreciation expense	(21,857)	(63,969)	(8,102)	(93,928)
<b>Balance at the end of the year</b>	<b>1,510,904</b>	<b>108,012</b>	<b>52,850</b>	<b>1,671,766</b>

### 10 Trade and other payables

	2024 \$	2023 \$
Trade payables	44,385	23,492
Other payables	55,502	59,470
	<b>99,887</b>	<b>82,962</b>

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 11 Employee benefits

	2024	2023
	\$	\$
CURRENT		
Annual leave	109,003	107,956
Long service leave	82,639	60,595
	<u>191,642</u>	<u>168,551</u>
NON-CURRENT		
Long service leave	530	2,999

(a) Total employee benefits attributable to:

Employees other than office holders\*:

Annual leave	109,003	107,956
Long service leave	83,169	63,594
	<u>192,172</u>	<u>171,550</u>

\*There are no employees of the Federation that are elected to any Officer positions as defined under the Fair Work (Registered Organisations) Act 2009.

### 12 Reserves

Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

Opening balance	572,074	572,074
Revaluation increment	850,954	-
	<u>1,423,028</u>	<u>572,074</u>

### 13 Financial risk management

The main risks Police Federation of Australia is exposed to through its financial instruments are credit risk and liquidity risk.

# Police Federation of Australia

ABN: 31 384 184 778

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 13 Financial risk management

The Federation's financial instruments consist mainly of deposits with banks, accounts receivable, related party loans, trade and other payables and lease liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024 \$	2023 \$
<b>Financial Assets</b>			
Cash and cash equivalents	5	1,014,656	460,614
Trade and other receivables	6	36,497	6,572
Financial assets	7	-	500,000
<b>Total financial assets</b>		<b>1,051,153</b>	<b>967,186</b>
<b>Financial Liabilities</b>			
Trade and other payables		83,579	69,087
Lease liabilities	8	-	1,505
<b>Total financial liabilities</b>		<b>83,579</b>	<b>70,592</b>

The table below reflects the undiscounted contractual maturity analysis for financial liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the balance sheet due to the effect of discounting.

#### *Financial liability maturity analysis - Non-derivative*

	Within 1 year		> 1 year		Total	
	2024 \$	2023 \$	2024 \$	2023 \$	2024 \$	2023 \$
<b>Financial liabilities due for payment</b>						
Trade and other payables	83,579	69,087	-	-	83,579	69,087
Finance lease liabilities	-	1,515	-	-	-	1,515
<b>Total contractual outflows</b>	<b>83,579</b>	<b>70,602</b>	<b>-</b>	<b>-</b>	<b>83,579</b>	<b>70,602</b>

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 13 Financial risk management

#### (a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Federation.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Federation has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Trade receivables consist predominately of related party (branch) receivables. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Committee of Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

#### (b) Net income/(expenses) from financial assets

	2024	2023
	\$	\$
<i>Financial assets at amortised cost</i>		
Interest revenue	3,777	1,866
Interest expense	(9)	(317)

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 14 Fair Value Measurement

The table below shows the assigned level for each asset and liability held at fair value by the Federation:

	Level 1	Level 2	Level 3	Total
2024	\$	\$	\$	\$
Recurring fair value measurements				
Land and buildings	-	2,340,000	-	2,340,000

	Level 1	Level 2	Level 3	Total
2023	\$	\$	\$	\$
Recurring fair value measurements				
Land and buildings	-	1,510,904	-	1,510,904

Fair value measurements are performed in accordance with note 9(a).

### 15 Auditor's remuneration

	2024	2023
	\$	\$
Remuneration of the auditor Daley Audit, for:		
- financial statement audit services	23,300	22,400
- other services*	5,360	5,220
	<u>28,660</u>	<u>27,620</u>

\*Other services are for accounting, tax and secretarial services.

### 16 Key Management Personnel Remuneration

Total remuneration paid to key management personnel of the Federation during the year were as follows:

Short-term benefits	309,616	328,970
Post-employment benefits	26,933	25,522
Other long term benefits	14,624	6,334
	<u>351,173</u>	<u>360,826</u>

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 17 Related party transactions

#### Related Parties

##### (a) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any office holder (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 16: Key Management Personnel Remuneration.

##### (b) Transactions with related parties

Capitation fees received from related parties are disclosed at note 3 and balances are disclosed in note 6(b).

Other reporting units are provided with and/or reimbursed for travel expenses incurred in the course of undertaking the Federation's business. These costs are not considered to be related party transactions and hence have not been included in this disclosure. Similarly, they are not considered to be cash outflows to other reporting units.

### 18 Cash flow information

##### (a) Reconciliation of result for the period to cashflows from operating activities

	2024	2023
	\$	\$
Result for the year	9,792	62,681
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	105,307	102,349
- loss on disposal of plant and equipment	2,103	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(29,925)	4,680
- (increase)/decrease in other assets	(13,326)	(40,536)
- increase/(decrease) in trade and other payables	16,925	(1,732)
- increase/(decrease) in employee provisions	20,622	(22,812)
Cashflow from operations	<u>111,398</u>	<u>104,630</u>

# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 18 Cash flow information

#### (b) Net cash flows from Reporting Units

	2024	2023
	\$	\$
<b>Inflows</b>		
Australian Federal Police Association	85,657	80,270
Police Association of New South Wales	334,574	363,636
Police Association of South Australia	100,226	100,244
Police Association of Tasmania	28,303	28,938
Police Association of Northern Territory	535,517	39,830
Queensland Police Union	259,449	257,388
Police Association of Victoria	368,403	374,936
Western Australian Police Union	139,929	148,889
	<u>1,852,058</u>	<u>1,394,131</u>
<b>Outflows</b>		
Police Association of Northern Territory	-	500,000

### 19 Contingent liabilities

In the opinion of the Committee of Management, the Federation did not have any contingencies at 30 June 2024 (30 June 2023: None).

### 20 Events after the end of the Reporting Period

The financial report was authorised for issue by the Committee of Management on 16 September 2024.

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Federation, the results of those operations, or the state of affairs of the Federation in subsequent financial periods.



# Police Federation of Australia

ABN: 31 384 184 778

---

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 21 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of the members is drawn to the provisions of Sub-sections (1) to (3) of Section 272, which reads as follows:-

Information to be provided to members or the General Manager:

1. A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
3. A reporting unit must comply with an application made under subsection (1).

# Police Federation of Australia

ABN: 31 384 184 778

---

## Officer Declaration Statement

For the Year Ended 30 June 2024

I, Alex Caruana, being the Vice President, and Karl David, being the Treasurer of the Police Federation of Australia, declare that the following activities did not occur during the reporting period ending 30 June 2024.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive periodic or membership subscriptions
- ~~receive capitation fees or any other revenue amount from another reporting unit~~
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay wages and salaries to holders of office
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- ~~pay wages and salaries to employees (other than holders of office)~~
- ~~pay superannuation to employees (other than holders of office)~~
- ~~pay leave and other entitlements to employees (other than holders of office)~~
- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- ~~incur expenses due to holding a meeting as required under the rules of the organisation~~
- pay legal costs relating to litigation
- ~~pay legal costs relating to other legal matters~~
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- ~~have a receivable with other reporting unit(s)~~
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have an annual leave provision in respect of holders of office

# Police Federation of Australia

ABN: 31 384 184 778

---


## Officer Declaration Statement

For the Year Ended 30 June 2024


- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- ~~have an annual leave provision in respect of employees (other than holders of office)~~
- ~~have a long service leave provision in respect of employees (other than holders of office)~~
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- ~~have a balance within the general fund~~
- ~~provide cash flows to another reporting unit and/or controlled entity~~
- ~~receive cash flows from another reporting unit and/or controlled entity~~
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



Karl David  
Treasurer



Kevin Morton  
Vice President



Dated: 16 September 2024

# Police Federation of Australia

ABN: 31 384 184 778

---

## Report required under subsection 255(2A)


For the Year Ended 30 June 2024

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Federation for the year ended 30 June 2024.

Categories of Expenses	2024 \$	2023 \$
Remuneration and other employment-related costs and expenses - employees	470,551	449,543
Advertising	-	-
Operating costs	709,620	671,418
Donations to political parties	-	-
Legal costs	-	14,722



Karl David  
Treasurer



Kevin Morton  
Vice President

Dated: 16 September 2024

## Independent Audit Report to the members of Police Federation of Australia

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Police Federation of Australia ("the Federation"), which comprises the balance sheet as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 30 June 2024, notes to the financial statements, including material accounting policy information, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Federation as at 30 June 2024, and its financial performance and its cash flows for the year ended on that date in accordance with:

- (i) the Australian Accounting Standards; and
- (ii) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Federation is appropriate.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Federation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Information Other than the Financial Report and Auditors Report Thereon

The Committee of Management are responsible for the other information. The other information comprises any information that does not form part of the financial report, as defined in the Opinion section of this Independent Audit Report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

#### Wollongong

PO Box 333  
Wollongong NSW 2520  
☎ 02 4329 6477  
✉ [wollongong@daley.com.au](mailto:wollongong@daley.com.au)

#### Bowral

PO Box 1032  
Bowral NSW 2576  
☎ 02 4881 1062  
✉ [bowral@daley.com.au](mailto:bowral@daley.com.au)

#### Sydney

PO Box 903  
Sydney NSW 2001  
☎ 02 8236 8177  
✉ [sydney@daley.com.au](mailto:sydney@daley.com.au)

[daley.com.au](http://daley.com.au)  
ABN 43 102 644 291





## **Independent Audit Report to the members of Police Federation of Australia**

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the Federation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management are responsible for assessing the Federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Federation or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Federation's internal control.



**Independent Audit Report  
to the members of Police Federation of Australia**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I declare that I am an auditor registered under the RO Act.

*Daley Audit*  
Daley Audit

*Michael Murdt*  
Michael Murdt  
Partner

Wollongong

Dated: 16 September 2024

Registration Number (as registered under the RO Act): AA 2017/67

Liability limited by a scheme approved under Professional Standards Legislation.