

The Police Association of Tasmania

Financial Report

For the Year Ended 30 June 2016

The Police Association of Tasmania

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For the Year Ended 30 June 2016

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The Police Association of Tasmania

Committee's Report

30 June 2016

The Committee members submit the financial report of the Association for the financial year ended 30 June 2016.

1. General information

Principal activities

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

- Negotiating salary and conditions of service on behalf of the members;
- Representing members in an advocacy and conciliation role; and
- Provision of legal assistance to members in matters that have arisen during the proper and necessary execution of the member's duty as a police officer, including worker's compensation matters, disciplinary matters, criminal matters, and coronial matters.

Significant changes

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

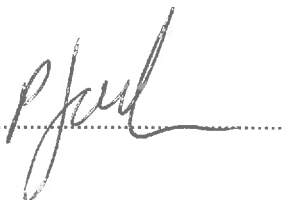
2. Operating results and review of operations for the year

Operating result

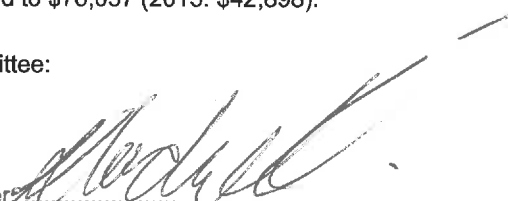
The surplus/(deficit) of the Association for the financial year amounted to \$76,037 (2015: \$42,898).

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

President:



Treasurer:



Dated this 19 day of OCTOBER 2016.

The Police Association of Tasmania

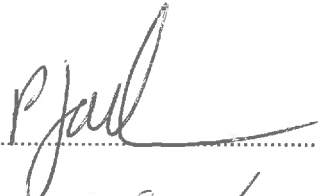
Statement by Members of the Committee

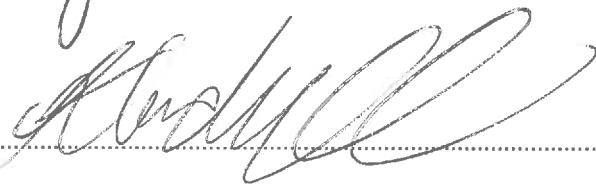
The Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial statements as set out on pages 3 to 12:

1. Presents fairly the financial position of The Police Association of Tasmania as at 30 June 2016 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that The Police Association of Tasmania will be able to pay its debts as and when they fall due.

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

President..... 

Treasurer..... 

Dated this 19 day of OCTOBER 2016.

The Police Association of Tasmania

Statement of Comprehensive Income

For the Year Ended 30 June 2016

	2016	2015
	\$	\$
Income		
Sale of cinema tickets	55,505	54,003
Subscriptions	1,028,422	975,147
Commissions	13,705	12,651
Interest income	37,283	43,078
Journal income	8,100	9,215
Other income	28,094	20,043
Total income	1,171,109	1,114,137
Less: Expenses		
Accounting and audit fees	8,273	11,932
Advertising, media and promotion	8,011	21,758
Affiliation and subscriptions	26,400	26,028
Bad debts	30	1,096
Cinema tickets	55,852	52,371
Computer, internet and website expenses	28,987	31,352
Conference and travel expenses	44,960	29,841
Depreciation	27,222	24,493
Electricity	6,436	4,883
Employee expenses	527,898	541,086
Enterprise bargaining	-	4,011
Entertainment publication products	-	7,108
Welfare grants	17,079	-
Insurance	9,214	10,929
Death benefits	16,397	-
Journal expenses	30,447	36,911
Legacies	-	2,827
Legal and consultancy fees	118,507	139,999
Meeting expenses	37,782	42,369
Member benefits	46,698	-
Member expenses	12,262	13,170
Motor vehicle expenses	17,854	20,192
Office and administration expenses	15,061	17,235
Loss on disposal of fixed assets	8,399	-
Rates and taxes	6,959	7,493
Repairs and maintenance	4,358	6,132
Telephone	10,986	11,295
Trailing fee payments	9,000	6,000
Welfare assistance	-	728
Total Expenses	1,095,072	1,071,239
Net surplus/(deficit) for the year	76,037	42,898
Other comprehensive income	-	-
Total comprehensive income for the year	76,037	42,898

The accompanying notes form part of these financial statements.

The Police Association of Tasmania

Statement of Financial Position

As At 30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	1,510,083	1,480,051
Trade and other receivables	3	27,676	21,846
Inventories		7,402	4,178
Other financial assets		1,598	1,207
Prepayments		-	1,152
TOTAL CURRENT ASSETS		1,546,759	1,508,434
NON-CURRENT ASSETS			
Property, plant and equipment	4	385,563	403,600
TOTAL NON-CURRENT ASSETS		385,563	403,600
TOTAL ASSETS		1,932,322	1,912,034
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	50,222	115,639
Employee benefits	6	120,846	114,924
TOTAL CURRENT LIABILITIES		171,068	230,563
NON-CURRENT LIABILITIES			
Employee benefits	6	7,264	3,518
TOTAL NON-CURRENT LIABILITIES		7,264	3,518
TOTAL LIABILITIES		178,332	234,081
NET ASSETS		1,753,990	1,677,953
EQUITY			
General reserve		183,929	183,929
Trailing fee reserve		22,520	19,332
Accumulated surpluses		1,547,541	1,474,692
TOTAL EQUITY		1,753,990	1,677,953

The accompanying notes form part of these financial statements.

The Police Association of Tasmania

Statement of Cash Flows

For the Year Ended 30 June 2016

	Note	2016
		\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers		1,243,728
Interest received		37,283
Payments to suppliers and employees		<u>(1,233,394)</u>
Net cash provided by/(used in) operating activities	7(b)	<u>47,617</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of Property plant & equipment		13,863
Purchase of Property plant & equipment		<u>(31,448)</u>
Net cash used by investing activities		<u>(17,585)</u>
Net increase/(decrease) in cash and cash equivalents held		30,032
Cash and cash equivalents at beginning of year		<u>1,480,051</u>
Cash and cash equivalents at end of financial year	7(a)	<u><u>1,510,083</u></u>

The accompanying notes form part of these financial statements.

The Police Association of Tasmania

Statement of Changes in Equity

For the Year Ended 30 June 2016

2016

	Accumulated Surpluses	Trailing Fee Reserve	General Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2015	1,474,691	19,333	183,929	1,677,953
Transfer to reserve	(12,187)	12,187	-	-
Transfer from reserve	9,000	(9,000)	-	-
Net surplus/(deficit) for the year	76,037	-	-	76,037
Balance at 30 June 2016	1,547,541	22,520	183,929	1,753,990

2015

	Accumulated Surpluses	Trailing Fee Reserve	General Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2014	1,451,126	-	183,929	1,635,055
Transfer to reserve	(19,333)	19,333	-	-
Net surplus/(deficit) for the year	42,898	-	-	42,898
Balance at 30 June 2015	1,474,691	19,333	183,929	1,677,953

The accompanying notes form part of these financial statements.

The Police Association of Tasmania

Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

This financial report is a special purpose financial statements prepared in order to satisfy the financial reporting requirements of the constitution. The Committee has determined that the not-for-profit Association is not a reporting entity. The Association is a not for profit entity for financial reporting purposes.

The financial report, except for the statement of cash flows, has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(b) Comparative Amounts

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

(c) Critical accounting estimates and judgments

The Committee members 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.

(d) Goods and Services Tax (GST)

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

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received.

(g) Property, Plant and Equipment

Property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all property, plant and equipment, including buildings, are depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

The Police Association of Tasmania

Notes to the Financial Statements

For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(g) Property, Plant and Equipment continued

Depreciation

The depreciable amount of all fixed assets excluding buildings, is depreciated on a diminishing value or straight line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Motor Vehicles	18.5% - 22.5%
Office Equipment	7% - 40%

(h) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Contribution made by the Association to an employee superannuation fund is charged as an expense when incurred.

(i) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Donations and bequests are recognised as revenue when received.

Interest is recognised using the effective interest method.

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

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

(k) Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

The Police Association of Tasmania

Notes to the Financial Statements

For the Year Ended 30 June 2016

2 Cash and cash equivalents

	2016	2015
	\$	\$
Cash at bank and in hand	109,705	116,786
Short-term bank deposits	1,400,378	1,363,265
	<u>1,510,083</u>	<u>1,480,051</u>

3 Trade and other receivables

	2016	2015
	\$	\$
Trade receivables	202	-
Member loans	21,426	15,709
Accrued interest	6,048	6,137
	<u>27,676</u>	<u>21,846</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

4 Property, plant and equipment

	2016	2015
	\$	\$
LAND AND BUILDINGS		
Land and buildings		
At cost	298,110	298,110
Accumulated depreciation	(3,753)	-
Total land and buildings	<u>294,357</u>	<u>298,110</u>
PLANT AND EQUIPMENT		
Motor vehicles		
At cost	87,888	119,966
Accumulated depreciation	(24,157)	(52,966)
Total motor vehicles	<u>63,731</u>	<u>67,000</u>
Office equipment		
At cost	167,822	180,636
Accumulated depreciation	(140,347)	(142,146)
Total office equipment	<u>27,475</u>	<u>38,490</u>
Total plant and equipment	<u>91,206</u>	<u>105,490</u>
Total property, plant and equipment	<u>385,563</u>	<u>403,600</u>

The Police Association of Tasmania

Notes to the Financial Statements

For the Year Ended 30 June 2016

5 Trade and other payables

	2016	2015
	\$	\$
Credit cards payable	2,831	3,580
Trade payables	12,971	79,691
GST payable	17,549	6,473
PAYG withholding	7,136	16,461
Other payables	9,735	9,434
	<u>50,222</u>	<u>115,639</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

6 Employee Benefits

	2016	2015
	\$	\$
CURRENT		
Long service leave	63,868	66,804
Annual leave	56,978	48,120
	<u>120,846</u>	<u>114,924</u>
NON-CURRENT		
Long service leave	7,264	3,518
	<u>7,264</u>	<u>3,518</u>

7 Cash Flow Information

(a) Reconciliation of cash

	2016	2015
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	1,510,083	1,480,050

The Police Association of Tasmania

Notes to the Financial Statements

For the Year Ended 30 June 2016

7 Cash Flow Information continued

(b) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2016
	\$
Net surplus/(deficit) for the year	76,037
Cash flows excluded from surplus/(deficit) attributable to operating activities	
Non-cash flows in profit:	
- Depreciation	27,222
Gain/(loss) on disposal of property, plant and equipment	8,399
Changes in assets and liabilities:	
- (increase)/decrease in trade and other receivables	(5,831)
- (increase)/decrease in other assets	(391)
- (increase)/decrease in prepayments	1,152
- (increase)/decrease in inventories	(3,224)
- increase/(decrease) in trade and other payables	(65,416)
- increase/(decrease) in employee benefits	9,669
Cashflow from operations	<u>47,617</u>

8 Reserves

General reserve

The general reserve records funds set aside for future specific projects of The Police Association of Tasmania.

Trailing fee reserve

The trailing fee reserve records commissions received from Bendigo Bank that financial members can apply to use subject to appropriate approval.

The Police Association of Tasmania

Notes to the Financial Statements

For the Year Ended 30 June 2016

9 Capital and leasing commitments

Operating Leases

	2016	2015
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	3,035	3,035
- between one year and five years	2,530	5,565
	<u>5,565</u>	<u>8,600</u>

Operating leases have been taken out for the office photocopier. Lease payments are made in equal installments over the term of the lease.

10 Contingencies

In the opinion of the Committee, the Association did not have any contingencies at 30 June 2016 (30 June 2015: None).

11 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

12 Association Details

The principal place of business of the Association is:
The Police Association of Tasmania
107 New Town Road
NEW TOWN TAS 7008

The Police Association of Tasmania

Auditors Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Accounting Professional Ethical Pronouncements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Crowe Horwath Tasmania



Alison Flakemore
Audit Partner

Dated this 18th day of October 2016.

Hobart, Tasmania.

The Police Association of Tasmania

Independent Audit Report to the members of The Police Association of Tasmania

Report on the Financial Report

We have audited the accompanying financial report being a special purpose financial report, of The Police Association of Tasmania, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the Committee.

Committees' Responsibility for the Financial Report

The Committee of The Police Association of Tasmania are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the constitution and is appropriate to meet the needs of the members. The Committees' responsibility also includes such internal control as the officers determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of Accounting Professional Ethical Pronouncements.

The Police Association of Tasmania


Independent Audit Report to the members of The Police Association of Tasmania

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of The Police Association of Tasmania as at 30 June 2016, and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report is prepared to assist The Police Association of Tasmania to comply with the financial reporting provisions of the constitution. As a result, the financial report may not be suitable for another purpose.



Crowe Horwath Tasmania



Alison Flakemore
Audit Partner

Dated this^{15th}..... day of^{November}..... 2016.

Hobart, Tasmania.