

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)

A.B.N 44 598 947 546

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022**

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VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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BOARD REPORT

Your board members present the general purpose financial report on the entity for the financial year ended 30 June 2022.

Board Members

The names of board members throughout the year and at the date of this report are:

Name	Portfolio	Date of Change
Detective Senior Sergeant Kate O'Neill	Chairperson	From Oct 2021
Assistant Commissioner Lauren Callaway APM	Past Chairperson	Resigned Oct 2021
Commander Mark Galliot	Vice Chairperson	From Oct 2021
Inspector James Dalton	Member Director	Elected Oct 2021
Senior Sergeant Darren Kenos	Member Director	
Superintendent Brad Dixon	Member Director	Elected Oct 2021
Inspector Dianne Thomson	Member Director	Appointed Oct 2021
Assistant Commissioner Michael Grainger APM	Member Director	Appointed Oct 2021
Detective Senior Sergeant Diane Wilson	Member Director	Resigned Oct 2021
Superintendent John Felton	Chief Commissioner's Nominee	
Sergeant Karl David APM	President: The Police Association Victoria (TPAV) nominee	Appointed Oct 2021
Detective Senior Sergeant John Laird	President: The Police Association Victoria (TPAV) nominee	Resigned Oct 2021
Anthony De Fazio	Non-member Director	
Senior Police Chaplain Jim Jung	Non-member Director	

Principle Activities

The principle activities of the entity during the financial year were to support:

- Members of the police family who have lost a partner who is a serving or retired sworn member of Victoria Police, Protective Services Officer or recruit in training.
- Serving or retired sworn members and Protective Services Officer who have lost partners.
- Resigned Members, who fall into one of the above categories, if they have served more than 20 years with Victoria Police.
- Members who have lost a child aged 21 years or younger.
- Parents of serving members of Victoria Police and Protective Services Officers where that member was not in a relationship at the time of their death.
- Members, their partners and families and Police Legatees experiencing grief and hardship caused by imminent or actual death or permanent (prolonged) disability.

Significant Changes

No significant changes in the nature of the entity's activity occurred during the financial year.

Operating Results

The surplus for the year attributable to the entity amounted to \$2,212,104 (2021: \$745,990 surplus).

No significant changes in the entity's state of affairs occurred during the financial year.

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BOARD REPORT

After Balance Date Events

A matter has continued to evolve since 30 June 2022 that has significantly affected, or may significantly affect:

- (a) the entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the entity's state of affairs in future financial years.

The COVID19 pandemic may induce significant changes in the state of affairs of the association and police legatee service delivery during the financial period ended 30 June 2023. The board members will take all necessary measures to preserve capital and shepherd the association through this uncertain period.

Signed in accordance with a resolution of the board members:

Chairperson



Detective Senior Sergeant Kate O'Neill

Vice Chairperson



Commander Mark Galliot

Dated

September 2022

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
REVENUE		
Bequests and donations	121,325	319,526
Contributions from members of Victoria Police Legacy Scheme	1,992,048	1,832,274
Income from investments	239,723	45,222
Income from fundraising events	67,341	119,814
Dividends received	-	23,243
Grants and scholarship income	68,465	-
Interest received	1,503	41,571
Miscellaneous income	22,332	66,318
Remembrance fund donations	-	71,408
Gain on disposal of land and buildings	1,620,788	-
TOTAL REVENUE	<u>4,133,525</u>	<u>2,519,376</u>
EXPENDITURE		
Legatees benefits expense	748,678	619,896
Grants and donations expense	426,003	418,983
Administration expenses	548,296	505,007
Marketing and communication expenses	87,179	80,611
Amortisation and depreciation expenses	81,726	72,638
Remembrance fund expenses	-	76,251
Right of use asset - amortisation & finance charges	29,539	-
TOTAL EXPENDITURE	<u>1,921,421</u>	<u>1,773,386</u>
Net surplus/(deficit) attributable to the Association	<u>2,212,104</u>	<u>745,990</u>

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Net surplus/(deficit) attributable to the Association	2,212,104	745,990
Other comprehensive income for the year	-	-
Unrealised gains/ (losses) on equity investments	(624,558)	338,699
Total comprehensive income for the year	<u>1,587,546</u>	<u>1,084,689</u>
Total comprehensive income attributable to the Association	<u>1,587,546</u>	<u>1,084,689</u>

The statement of financial performance is to be read in conjunction with the audit report
and the notes to the financial statements.

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
A.B.N 44 598 947 546
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	507,289	1,097,080
Trade and other receivables	5	3,611,795	289,455
Financial assets	6	513,220	307,939
Prepayments		7,572	6,177
TOTAL CURRENT ASSETS		4,639,876	1,700,651
NON CURRENT ASSETS			
Financial assets	6	5,339,534	5,168,202
Property, plant and equipment	7	276,749	1,837,439
Intangible assets	8	376,720	-
TOTAL NON-CURRENT ASSETS		5,993,003	7,005,641
TOTAL ASSETS		10,632,879	8,706,292
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	139,830	147,396
Income received in advance	10	14,100	83,486
Provisions	11	92,805	88,884
Lease Liabilities	12	7,774	-
TOTAL CURRENT LIABILITIES		254,509	319,766
NON-CURRENT LIABILITIES			
Provisions	11	24,818	19,005
Lease Liabilities	12	398,485	-
TOTAL NON-CURRENT LIABILITIES		423,303	19,005
TOTAL LIABILITIES		677,812	338,771
NET ASSETS		9,955,067	8,367,521
EQUITY			
Accumulated Funds		10,201,159	7,989,055
Reserves for Equity Investments		(246,092)	378,466
TOTAL EQUITY		9,955,067	8,367,521

The statement of financial position is to be read in conjunction with the audit report and the notes to the financial statements.

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Accumulated Funds \$	Reserve for Equity Investments \$	Total \$
Balance as at 1 July 2020	7,243,065	39,767	7,282,832
Surplus/ (Deficit) attributable to the Association	745,990	-	745,990
Realised and unrealised gains/(losses) on equity investments	-	338,699	338,699
Balance as at 30 June 2021	7,989,055	378,466	8,367,521
Surplus/ (Deficit) attributable to the Association	2,212,104	-	2,212,104
Realised and unrealised gains/(losses) on equity investments	-	(624,558)	(624,558)
Balance as at 30 June 2022	10,201,159	(246,092)	9,955,067

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and other contributors		2,181,838	2,223,208
Receipts from social events		(3,132,151)	42,866
Payments to legatees, suppliers and employees		(1,866,769)	(3,871,309)
Interest received		(63,052)	49,977
Dividends and investment income received		242,723	72,533
Net cash generated from/(used in) operating activities	13	<u>(2,637,411)</u>	<u>(1,482,725)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(220,376)	(49,497)
Proceeds on disposal of property, plant and equipment		3,375,000	-
Payment for investments		(2,837,261)	(4,010,899)
Proceeds from sale and redemption of investments		1,730,257	1,057,108
Net cash (used in)/provided by investing activities		<u>2,047,620</u>	<u>(3,003,288)</u>
CASH FLOWS FROM FINANCE ACTIVITIES			
Repayment of lease liability - leased premises		-	-
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held		(589,791)	(4,486,013)
Cash and cash equivalents at beginning of financial year		1,097,080	5,583,093
Cash and cash equivalents at end of financial year	4	<u>507,289</u>	<u>1,097,080</u>

The statement of cash flows is to be read in conjunction with the audit report and the notes to the financial statements.

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1. Statement of Significant Accounting Policies

This financial report includes the financial statements and notes of the Victoria Police Legacy Scheme (Incorporated), an incorporated association, which is incorporated in Victoria under the Associations Incorporation Reform Act 2012.

Basis of preparation

Victorian Police Legacy Scheme (Incorporated) applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 201 0-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards- Reduced Disclosure Requirements of the Australian Accounting Standards Board, *the Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012 (Victoria)*. The association is a not-for-profit association for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The Association is exempt from paying income tax by virtue of Sections 50-50 & 50-52 of the *Income Tax Assessment Act 1997*.

b. Property, Plant and Equipment

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

Property

Freehold land and buildings are carried at cost, less subsequent depreciation for buildings.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1. Statement of Significant Accounting Policies (continued)

b. Property, Plant and Equipment (continued)

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on the diminishing value method 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 asset's residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the comprehensive income statement.

c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

d. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Adoption of AASB 9 Accounting Standard: Financial Instruments:

The association elected to early adopt Accounting Standard AASB 9 Financial Instruments from 1 July 2016. This standard had been early adopted because it includes requirements for the classification and measurement of financial assets which improve and simplify the approach when compared with the requirements of the previous Accounting Standard AASB 139 Financial Investments: Recognition and Measurement.

AASB 9 allows, and the association has made, an irrevocable election on initial recognition to present unrealised and realised gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. The association consider this to result in a presentation that better presents performance and strategy of the organisation.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1. Statement of Significant Accounting Policies (continued)

Financial asset

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

The entity recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Simplified approach

The entity uses the Simplified approach to impairment as applicable under AASB9. The Simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach applicable to:

- Trade receivables;

In measuring the expected credit loss, consideration of various data is undertaken to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1. Statement of Significant Accounting Policies (continued)

Derecognition

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

e. Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. Employee Entitlements

Short-term employee benefits

Provision is made for the association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The association's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The association classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service.

Provision is made for the association's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to Corporate Bond rates guidance. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefit expense.

The association's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1. Statement of Significant Accounting Policies (continued)

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

h. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is brought to account when received and to the extent that it relates to the subsequent period it is disclosed as a liability.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

Grant Income

Grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest Revenue

Interest revenue is recognised when the association obtains control over the funds which is generally at the time of receipt.

Donations

Donation income is recognised when the association obtains control over the funds which is generally at the time of receipt.

i. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1. Statement of Significant Accounting Policies (continued)

j. 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 Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

k. Comparative Figures

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

l. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the association during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. 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.

Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

n. Key Estimates

(i) Impairment

The Association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

o. New, Revised or Amending Accounting Standards and Interpretations Adopted

The Association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Association. The Board of Committee Members has elected not to early adopt any of the new and amended pronouncements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Note 2. Surplus for the Year		
Surplus for the year has been determined after charging as expense:		
Depreciation plant, equipment and building	81,726	72,638
<u>Remuneration of Staff</u>		
Wages and Salaries	580,022	541,454
Superannuation	57,902	51,340
Total Wages and Salaries	637,924	592,794
<u>Remuneration of auditor</u>		
Audit services	12,850	12,900
Total Remuneration	12,850	12,900
Note 3. Key Management Personnel		
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly, including its board members, is considered key management personnel.		
Key management personnel compensation:		
Short-term employee benefits	189,182	183,894
Post-employment benefits	29,487	24,246
	218,669	208,140
Note 4. Cash and Cash Equivalents		
Cash at bank		
<u>Police Association Credit Co-op Ltd.</u>		
S1 Multipack Account	69,023	84,139
S2 Investment Account	111,085	181,123
S7 Social Account	153	59,737
S8 Investment Account	240,997	561,003
<u>Westpac Banking Corporation</u>		
178 Community Solutions Account	-	-
491 Cheque Account	84,845	140,900
669 Community Solutions Account	1,086	23,092
161 Cash Reserve Account	-	46,986
428 Contingency Account	100	100
Total Cash and Cash Equivalents	507,289	1,097,080
Note 5. Trade and Other Receivables		
Current		
Accounts Receivable	9,313	-
Other Debtors	3,375,090	153,266
Distributions & Interest Receivable	64,555	-
Franking Credits Receivable	3,542	6,542
Gift Cards on Hand	3,470	3,270
Deposits on Legatees Trips and Events	122,033	126,377
Security Deposit	33,792	-
Total Trade and Other Receivables	3,611,795	289,455

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
Note 6. Financial Assets		
At fair value through other comprehensive income:		
Current Investments at fair value		
ANZ Bank	513,220	307,939
	<u>513,220</u>	<u>307,939</u>
Non-Current Investments at fair value		
Managed Funds	5,052,284	4,844,702
Direct Property Unit Trust	287,250	323,500
	<u>5,339,534</u>	<u>5,168,202</u>
Total Financial Assets at Fair Value	<u>5,852,754</u>	<u>5,476,141</u>
Note 7. Property, Plant and Equipment		
Land - at Cost	-	937,015
Building Improvements - at Cost	-	932,872
Less: Accumulated Depreciation	<u>-</u>	<u>(175,356)</u>
	<u>-</u>	<u>1,694,531</u>
Plant and Equipment - at Cost	21,583	80,777
Less: Accumulated Depreciation	<u>(14,964)</u>	<u>(65,341)</u>
	<u>6,619</u>	<u>15,436</u>
Furniture and Fittings - at Cost	-	89,425
Less: Accumulated Depreciation	<u>-</u>	<u>(59,268)</u>
	<u>-</u>	<u>30,157</u>
Motor Vehicles - at Cost	45,361	45,361
Less: Accumulated Depreciation	<u>(30,538)</u>	<u>(25,598)</u>
	<u>14,823</u>	<u>19,763</u>
Office Equipment - at Cost	30,854	33,420
Less: Accumulated Depreciation	<u>(9,923)</u>	<u>(21,635)</u>
	<u>20,931</u>	<u>11,785</u>
Website - at Cost	136,862	112,855
Less: Accumulated Depreciation	<u>(80,359)</u>	<u>(47,088)</u>
	<u>56,503</u>	<u>65,767</u>
Fixtures & Fittings - Leased Property - at Cost	181,324	-
Less: Accumulated Depreciation	<u>(3,451)</u>	<u>-</u>
	<u>177,873</u>	<u>-</u>
Total property, plant and equipment	<u>276,749</u>	<u>1,837,439</u>

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
A.B.N 44 598 947 546
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 7. Property, Plant and Equipment (*continued*)

Reconciliation of movement in carrying values

	Land and Buildings	Plant & Equipment	Furniture & Fittings	Motor Vehicles	Office Equipment	Leasehold Fixtures & Fittings	Website equipment	Total Property, Plant and Equipment
Written down value at 1 July 2020	1,718,116	20,099	37,929	26,351	13,139	-	44,948	1,860,582
Additions	-	-	-	-	3,979	-	45,518	49,497
Disposals	-	-	-	-	-	-	-	-
Depreciation expense	(23,585)	(4,663)	(7,772)	(6,588)	(5,333)	-	(24,699)	(72,640)
Written down value at 30 June 2021	1,694,531	15,436	30,157	19,763	11,785	-	65,767	1,837,439
	Land and Buildings	Plant & Equipment	Furniture & Fittings	Motor Vehicles	Office Equipment		Website equipment	Total Property, Plant and Equipment
Written down value at 1 July 2021	1,694,531	15,436	30,157	19,763	11,785	-	65,767	1,837,439
Additions	-	-	-	-	15,044	181,324	24,008	220,376
Disposals	(1,670,946)	(6,009)	(22,385)	-	-	-	-	(1,699,340)
Depreciation expense	(23,585)	(2,808)	(7,772)	(4,940)	(5,898)	(3,451)	(33,272)	(81,726)
Written down value at 30 June 2022	-	6,619	-	14,823	20,931	177,873	56,503	276,749

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
A.B.N 44 598 947 546
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Note 8. Intangible Assets		
Right of Use Asset - Leased Premises	397,900	-
Less: Accumulated Amortisation	<u>(21,180)</u>	<u>-</u>
	<u><u>376,720</u></u>	<u><u>-</u></u>

Note 9. Trade and Other Payables

Trade Payables	12,294	10,031
Accrued Expenses	145,244	93,488
FBT Payable	250	-
Net GST Payable/ (Refundable)	(32,648)	(15,401)
PAYG Withholding Tax Payable	9,436	7,976
Remembrance Fund	-	46,986
Superannuation Payable	<u>5,254</u>	<u>4,316</u>
	<u><u>139,830</u></u>	<u><u>147,396</u></u>

The Victoria Police Legacy Remembrance Fund was activated following the tragic loss of Leading Senior Constable Lynette Taylor, Senior Constable Kevin King, Constable Glen Humphries and Constable Joshua Prestney on the Eastern Freeway on 22nd April 2020. Donations made to the VPL Remembrance Fund were dedicated to helping support the families of these four police members.

A separate special purpose audit of the VPL Remembrance Fund as at 30 June 2021 and at the winding up of the Fund as at 29 October 2021 has been undertaken.

Note 10. Amounts Received in Advance

Income Received in Advance	<u>14,100</u>	<u>83,486</u>
	<u><u>14,100</u></u>	<u><u>83,486</u></u>

Note 11. Provisions

Current

Employee Benefits - Annual Leave	72,192	70,891
Employee Benefits - Long Service Leave	<u>20,613</u>	<u>17,993</u>
	<u><u>92,805</u></u>	<u><u>88,884</u></u>

Non-current

Employee Benefits - Long Service Leave	<u>24,818</u>	<u>19,005</u>
	<u><u>24,818</u></u>	<u><u>19,005</u></u>
Total Provisions	<u><u>117,623</u></u>	<u><u>107,889</u></u>

Note 12. Lease Liabilities

Current

Leased Liability - Leased Premises	<u>7,774</u>	<u>-</u>
	<u><u>7,774</u></u>	<u><u>-</u></u>

Non-current

Leased Liability - Leased Premises	<u>398,485</u>	<u>-</u>
	<u><u>398,485</u></u>	<u><u>-</u></u>
Total Provisions	<u><u>406,259</u></u>	<u><u>-</u></u>

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
A.B.N 44 598 947 546
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Note 13. Notes to the Statement of Cash Flows		
Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Net surplus/(deficit) attributable to the Association	2,212,104	745,990
Non-cash flow item:		
- Depreciation	81,726	72,638
- Gain on Disposal of Land and Buildings	(1,620,788)	-
- Loss on Disposal of Fixed Assets	6,009	-
- Right of Use Asset - Amortisation & Finance Charges	29,539	-
Changes in assets and liabilities:		
- (Increase)/decrease in Trade and Other Receivables	(3,214,680)	(170,607)
- (Increase)/decrease in Distributions and Interest Receivable	(64,555)	8,406
- (Increase)/decrease in Prepayment & Other Assets	(35,187)	581
- Increase/(decrease) in Trade and Other Payables	(41,313)	(2,148,667)
- Increase/(decrease) in Employee Benefit Provisions	9,734	8,933
	<u>(2,637,411)</u>	<u>(1,482,726)</u>

Note 14. Contingent Liabilities

There are no contingent liabilities incurred by the Association in 2022 or 2021.

Note 15. Capital Commitments

There are no capital commitments in 2022 or 2021.

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
A.B.N 44 598 947 546
STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the Board the financial report as set out on pages 3 to 17:

- 1 Presents a true and fair view of the financial position of Victoria Police Legacy Scheme (Incorporated) as at 30 June 2022 and its performance for the year ended on that date in accordance with Australian Accounting Standards.
- 2 At the date of this statement, there are reasonable grounds to believe that Victoria Police Legacy Scheme (Incorporated) will be able to pay its debts as and when they fall due.

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

Chairperson



Detective Senior Sergeant Kate O'Neill

Vice Chairperson



Commander Mark Galliot

Dated this

day of September 2022

VICTORIA POLICE LEGACY SCHEME (INCORPORATED)
A.B.N 44 598 947 546
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Victoria Police Legacy Scheme (Incorporated) (the Association), which comprises the statement of financial position as at 30 June 2022, and the statement of financial performance, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012*, including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2022 and of its performance for the year ended; and
- ii. complying with Australian Accounting Standards as per Note 1, the Australian Charities and Not for Profits Commission Act 2012 and the Associations Incorporation Reform Act 2012.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. I am independent of the Association 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines 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.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 registered entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.

Conclude on the appropriateness of the responsible entities 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

Name of Auditor: Frederik R. L. Eksteen

Address: Collins & Co Audit PtyLtd
127 Paisley Street
Footscray VIC 3011

Date:

A.B.N 44 598 947 546
CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, **Kate O'Neill** and I, **Mark Galliot** hereby certify that:

- (a) We are members of the committee of the Victoria Police Legacy Scheme (Incorporated).
- (b) We attended the annual general meeting of the association held on 18 October 2022.
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) The annual statements for the year ended 30 June 2022 were submitted to the members of the association at the annual general meeting.

Chairperson



Detective Senior Sergeant Kate O'Neill

Vice Chairperson



Commander Mark Galliot

Dated this

_____ day of _____ October 2022



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1 July 2022

Ms Judy Thompson
Finance & Operations Manager
Victoria Police Legacy Scheme Inc
PO Box 537
CARLTON SOUTH VIC 3053

Dear Judy,

**Victoria Police Legacy Scheme Inc
Engagement as Auditors under the Associations Incorporations Reform Act 2012 (Victoria)**

You have requested that we audit the financial report of Victoria Police Legacy Scheme Inc for the year ended 30 June 2022. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter.

The objectives of our audit 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 this financial report.

The responsibilities of the auditor

We will conduct our audit in accordance with Australian Auditing Standards. Those standards require that we comply with ethical requirements. As part of an audit in accordance with 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 entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial report that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness 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 Company'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



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TOWARDS A VISION SHARED

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 Company 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.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

Responsibilities of members of the board and management

Our audit will be conducted on the basis that management and, where appropriate, those charged with governance acknowledge and understand that they have responsibility:

- a) For the preparation of the financial report that gives a true and fair view in accordance with the Associations Incorporations Reform Act 2012 (Victoria) and Australian Accounting Standards
- b) For such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error; and
- c) To provide us with:
 - i. Access to all information of which the directors and management are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - ii. Additional information that we may request from the directors and management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
- d) We will inform you of all the documents that we expect to issue that may comprise other information;

If the other information has been provided prior to the auditor's report date:

- e) The financial report and any other information you may obtain prior to the date of your auditor's report will be consistent with one another, and the other information will not contain any material misstatements; or

If the other information will not be provided prior to the auditor's report date:

- f) With regard to any other information that we will not provide to you prior to the date of the auditor's report, that we intend to prepare and issue such other information and that we expect to issue it by the date of our audit visit and will provide it to you to enable you to complete your required procedures.

As part of our audit process, we will request from the members of the board written confirmation concerning oral representations made to us by the Association's management and board in connection with the audit and that the members of the board acknowledge that such representations would be relied upon by us during the audit.

We look forward to full co-operation with your staff and we trust that they will make available to us whatever records, documentation and other information we request in connection with our audit.



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Independence

We have established policies and procedures designed to ensure our independence, including policies on the provision of non-audit work.

Other services

We are pleased to provide any additional services that may be required from time to time, provided such services do not impair our independence. We note that this engagement letter applies only to the work described in this letter. Should further work be required over and above such work, separate terms of engagement will need to be agreed. This letter does not deal with accounting advice or assistance with accounts preparation.

Fees

Our fee for the audit of the financial report of the entity for the year ending 30 June 2022 is **\$10,500**, exclusive of GST and out-of-pocket expenses, as agreed.

Please note that this fee also includes the preparation of the RDR general purpose financial report.

It does not include any separate acquittals required.

This fee assumes that all accounting transactions will have been processed and we will be presented with a final trial balance at commencement of the audit.

If we incur additional costs as a result of factors such as: information not being provided to us within agreed time limits, significant errors in the information that is provided, the scale of the business significantly changing, a material issue arising which was not reasonably contemplated at the time of the fee quote, then this additional time will also be billed.

Our fees will be billed as the work progresses.

Publishing of the auditor's report

If the association intends to publish, present or reproduce, in printed form or electronically, our audit report together with the financial statements, or otherwise refer to our firm in a document that contains other information, the members agree to provide us with a draft of such document to read and obtain our written approval for inclusion of our report before the document is finalised and distributed.

Where our report is reproduced in any medium the complete financial statements, including notes, must also be presented.

Responsibility for the electronic presentation of the financial report on Victoria Police Legacy Scheme Inc website is that of the members of the Board of Victoria Police Legacy Scheme Inc. The security and controls over information on the website should be addressed by Victoria Police Legacy Scheme Inc to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of audited financial report(s) on Victoria Police Legacy Scheme Inc website is beyond the scope of the audit of the financial report.

General matters

The terms of this letter apply to all work carried out by us in connection with this engagement prior to the date of signing this letter.



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TOWARDS A VISION SHARED

This letter will be effective for future years unless we advise you of its amendment or replacement or the engagement is terminated.

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the arrangements for our audit of the financial report.

Yours faithfully,
Collins & Co Audit Pty Ltd

Ryk Eksteen CA
Audit Director
re@collinsco.com.au

We hereby acknowledge that this letter is in accordance with our understanding of the arrangements for the audit of Victoria Police Legacy Scheme Inc's financial report for the year ended 30 June 2022.

Signed for and on behalf of the members by:

Signature of _____

Name: Alexander de Man

Title: Chief Executive Officer

Date: 1st September 2022

01 September 2022

Mr Ryk Eksteen
Audit Director
Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY 3011 VIC

Dear Mr Eksteen

**Victoria Police Legacy Scheme Inc
Management Representation Letter - 30 June 2022**

This representation letter is provided in connection with your audit of the financial report of the Victoria Police Legacy Scheme Inc for the year ended 30 June 2022, for the purpose of expressing an opinion as to whether the financial report is, in all material respects, presented fairly in accordance with Australian Accounting Standards, the *Associations Incorporations Reform Act 2012* (Victoria) and the Victoria Police Legacy Scheme Inc's Constitution.

We acknowledge our responsibility for ensuring that the financial report is in accordance with the Australian Accounting Standards, the *Associations Incorporations Reform Act 2012* (Victoria) 2012 and the Victoria Police Legacy Scheme Inc's Constitution and confirm that the financial report is free of material misstatements, including omissions, and that we have approved the financial report.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the Victoria Police Legacy Scheme Inc taken as a whole, and that your tests of the accounting records and other auditing procedures were limited to those which you considered necessary for that purpose.

We confirm, to the best of our knowledge and belief, the following representations made to you during our audit.

Financial report

- ▶ We have fulfilled our responsibilities for the preparation of the financial report in accordance with Australian Accounting Standards and the Constitution; in particular the financial report is fairly presented (or gives a true and fair view) in accordance therewith.
- ▶ Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- ▶ Any related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
- ▶ All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.



- ▶ The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole.

Information provided

- ▶ We have provided you with:
 - a) access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters.
 - b) all requested information, explanations and assistance for the purposes of the audit.
 - c) unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) minutes of all meetings of members of the board, and committees of members of the board.

General

- ▶ There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
- ▶ We confirm that there have been no changes to the accounting policies applied in the previous annual financial report or the methods used in applying them.
- ▶ We have no plans or intentions that may materially affect the carrying values or classification of assets and liabilities.
- ▶ We confirm the appropriateness of the measurement of accounting estimates, including related assumptions, used in the preparation of the financial report and the consistency in application of the processes.
- ▶ The following have been properly recorded or disclosed in the financial report:
 - (a) arrangements involving restrictions on cash balances, compensating balances, and line-of-credit or similar arrangements; and
 - (b) agreements to repurchase assets previously sold.
- ▶ The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor have any assets been pledged as collateral that have not been disclosed in the financial report.
- ▶ We confirm the reasonableness of significant assumptions, including whether they appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the fair value measurement or disclosures.

Laws and regulations

- ▶ Other than as disclosed to you, there have been no:
 - (a) irregularities involving management or employees who have significant roles in the system of internal control structure
 - (b) irregularities involving other employees, that could have a material effect on the financial report

- (c) communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements or
- (d) known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered in preparing the financial report.

▶ We have complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.

Fraud

▶ We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect fraud and error and confirm we have disclosed to you:

- a) the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud
- b) all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - i. management
 - ii. employees who have significant roles in internal controls or
 - iii. others where the fraud could have a material effect in the financial report and
- c) all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated to us by employees, former employees, analysts, regulators or others.
- d) the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Internal control

▶ We have established and maintained an adequate internal control structure to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained.

▶ There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.

Uncorrected misstatements

▶ We acknowledge that:

- a) uncorrected misstatements have been brought to our attention by the auditor;
- b) we have considered the effect of any uncorrected misstatements, aggregated during and pertaining to the latest period, on the financial report and consider the misstatements are immaterial individually and in aggregate to the financial report taken as a whole; and
- c) a summary of uncorrected misstatements has been attached to this letter.

Related party transactions

▶ We confirm the completeness of the information provided regarding the identification of related party relationships and transactions and the adequacy of related party disclosures in the financial report.

Commitments

- ▶ There were no material commitments for goods or services at year end, other than those disclosed in the financial report.

Subsequent events

- ▶ No events, other than those disclosed in the financial report, have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report or amendments to significant assumptions used in the preparation of the accounting estimates.

Going concern

- ▶ Nothing has come to our attention that would indicate that Victoria Police Legacy Scheme Inc will not be able to continue as a going concern.

Contingencies

- ▶ We are not aware of any pending litigation involving this association, other than the matters disclosed in the financial report.
- ▶ All contingent liabilities have been provided for or noted in the financial report.

Impairment of assets

- ▶ We have considered the requirements of AASB 136 *Impairment of assets* when assessing the carrying values of assets and in ensuring that no assets within the scope of AASB 136 are stated in excess of their recoverable amount.

Receivables

- ▶ Adequate allowance has been made for adjustments and losses in relation to receivables.
- ▶ Provision has been made for any material loss to be sustained in the fulfillment of, or from inability to fulfill, any sale commitments.

Liabilities

- ▶ We have disclosed the existence of any loans approved but not drawn down at the reporting date.
- ▶ No asset of the association has been pledged as security for any liability, except as disclosed in the financial report.
- ▶ There are no financial guarantee contracts in place to third parties which could be called upon in the event of a default, other than those disclosed in the financial report.

Covenants

- ▶ We have complied with all covenants in contractual agreements that could have a material effect on the financial report in the event of non-compliance.

Capital management

- ▶ All disclosures in the financial report in respect of capital management processes reflect actual processes in place during the reporting period.

Electronic presentation of financial report

- ▶ With respect to presentation of the financial report on our website, we acknowledge that:
- a) we are responsible for the electronic presentation of the financial report
 - b) we will ensure that the electronic version of the audited financial report and the auditor's report on the website will be identical to the final signed hard copy version
 - c) we will clearly differentiate between audited and unaudited information in the construction of the entity's website as we understand the risk of potential misrepresentation
 - d) we have assessed the controls over the security and integrity of the data on the website and confirmed that adequate procedures are in place to ensure the integrity of the information presented and
 - e) we will not present the auditor's report on the full financial report with extracts only of the full financial report.

Yours sincerely,



Name: Alexander de Man AFSM

Position: Chief Executive Officer/ Secretary

Date: 01 September 2022