

# FINANCIAL STATEMENTS

for the year ended 30 June 2005

## CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

The accompanying financial statements of the Western Australia Police Service have been prepared in compliance with the provisions of the *Financial Administration and Audit Act 1985* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2005 and the financial position as at 30 June 2005.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



**KARL J O'CALLAGHAN APM**  
COMMISSIONER OF POLICE



**MICK de MAMIEL**  
DIRECTOR OF FINANCE  
(PRINCIPAL ACCOUNTING OFFICER)

3 August 2005



## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia  
**POLICE SERVICE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005**

### AUDIT OPINION

In my opinion,

- (i) the controls exercised by the Police Service provide reasonable assurance that the receipt, and expenditure of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Police Service at 30 June 2005 and its financial performance and cash flows for the year ended on that date.

### SCOPE

#### The Commissioner of Police's Role

The Commissioner of Police is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the *Financial Administration and Audit Act 1985* (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Schedule of Expenses and Revenues by Service, Summary of Consolidated Fund Appropriations and Revenue Estimates, and the Notes to the Financial Statements.

#### Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.



**D D R PEARSON**  
AUDITOR GENERAL

9 September 2005

# STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2005

	Note	2005 \$'000	2004 \$'000
<b>COST OF SERVICES</b>			
<b>Expenses from ordinary activities</b>			
Employee expenses	5	472,972	432,913
Services and contracts	6	103,217	98,096
Capital user charge	7	30,111	24,386
Depreciation and amortisation expense	8	17,003	16,773
Other expenses from ordinary activities	9	29,236	22,028
<b>Total Cost of services</b>		<b>652,539</b>	<b>594,196</b>
<b>Revenues from ordinary activities</b>			
<i>Revenue from operating activities</i>			
User charges and fees	10	12,022	12,181
Commonwealth grants	11	651	758
Contributions, sponsorships and donations	12	6,204	5,401
<i>Revenue from non-operating activities</i>			
Proceeds from disposal of non-current assets	13	113	-
Other revenues from ordinary activities	14	370	872
<b>Total Revenues from ordinary activities</b>		<b>19,360</b>	<b>19,212</b>
<b>NET COST OF SERVICES</b>		<b>633,179</b>	<b>574,984</b>
<b>Revenues from State Government</b>			
Service appropriation	15	622,144	573,018
State grants	16	3,427	3,252
Superannuation liability assumed by the Treasurer	17	7,761	1,163
Initial recognition of assets not previously recognised	18	525	448
Resources received free of charge	19	1,602	503
<b>Total Revenues from State Government</b>		<b>635,459</b>	<b>578,384</b>
<b>CHANGE IN NET ASSETS</b>			
Net Increase/(decrease) in the Asset Revaluation Reserve		24,518	7,433
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>		<b>24,518</b>	<b>7,433</b>
<b>TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNER</b>			
	30 (d)	<b>26,798</b>	<b>10,833</b>

The Statement of Financial Performance should be read in conjunction with the accompanying notes.

# STATEMENT OF FINANCIAL POSITION

as at 30 June 2005

	Note	2005 \$'000	2004 \$'000
<b>Current Assets</b>			
Cash assets	20	64,885	45,563
Restricted cash assets	21	1,623	16,400
Receivables	22	3,624	3,775
Amounts receivable for services	23	18,400	17,907
Other assets	24	5,658	5,873
<b>Total Current Assets</b>		<b>94,190</b>	<b>89,518</b>
<b>Non-Current Assets</b>			
Amounts receivable for services	23	32,743	23,730
Property, vehicles, plant and equipment	25	364,937	321,054
Intangible assets	26	73,169	64,719
<b>Total Non-Current Assets</b>		<b>470,849</b>	<b>409,503</b>
<b>TOTAL ASSETS</b>		<b>565,039</b>	<b>499,021</b>
<b>Current Liabilities</b>			
Provisions	27	54,541	48,756
Payables	28	7,442	3,923
Other liabilities	29	5,261	19,208
<b>Total Current Liabilities</b>		<b>67,244</b>	<b>71,887</b>
<b>Non-Current Liabilities</b>			
Provisions	27	73,233	73,011
<b>Total Non-Current Liabilities</b>		<b>73,233</b>	<b>73,011</b>
<b>TOTAL LIABILITIES</b>		<b>140,477</b>	<b>144,898</b>
<b>Equity</b>			
Contributed equity	30 (a)	153,352	111,207
Reserves	30 (b)	214,511	189,993
Accumulated surplus/(deficiency)	30 (c)	56,699	52,923
<b>TOTAL EQUITY</b>		<b>424,562</b>	<b>354,123</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>565,039</b>	<b>499,021</b>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

# STATEMENT OF CASH FLOWS

for the year ended 30 June 2005

	Note	2005 \$'000	2004 \$'000
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		594,731	548,504
Capital contributions		43,434	57,263
Holding account drawdowns		17,907	3,018
State grants received		2,158	3,373
<b>Net Cash provided by State Government</b>		<b>658,230</b>	<b>612,158</b>
<b>Utilised as follows:</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments			
Employee costs		(472,586)	(419,052)
Services and contracts		(100,023)	(98,968)
Capital user charge		(30,136)	(23,729)
GST payments on purchases		(17,137)	(14,598)
GST payments to taxation authority		-	-
Other payments		(24,687)	(20,135)
		<b>(644,569)</b>	<b>(576,482)</b>
Receipts			
User charges and fees		11,940	12,111
Commonwealth grants		761	693
Contributions, sponsorships and donations		3,872	3,860
GST receipts on sales		1,264	1,312
GST receipts from taxation authority		15,929	12,234
Other receipts		754	342
		<b>34,520</b>	<b>30,552</b>
<b>Net Cash (used in)/provided by operating activities</b>	31(b)	<b>(610,049)</b>	<b>(545,930)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of non-current physical assets		(43,749)	(24,198)
Proceeds from sale of non-current physical assets		113	-
<b>Net Cash (used in)/provided by investing activities</b>		<b>(43,636)</b>	<b>(24,198)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>4,545</b>	<b>42,030</b>
CASH ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR		61,963	19,933
<b>CASH ASSETS AT THE END OF THE FINANCIAL YEAR</b>	31(a)	<b>66,508</b>	<b>61,963</b>

*The Statement of Cash Flows should be read in conjunction with the accompanying notes.*

# SUMMARY OF CONSOLIDATED FUND APPROPRIATIONS AND REVENUE ESTIMATES

for the year ended 30 June 2005

	2005 Estimate \$'000	2005 Actual \$'000	2005 Variation \$'000	2005 Actual \$'000	2004 Actual \$'000	Variation \$'000
<b>DELIVERY OF SERVICES</b>						
Item 74 Net amount appropriated to deliver services	614,400	619,769	5,369	619,769	571,543	48,226
Amounts Authorised by Other Statutes <i>Salaries and Allowances Act 1975</i>	1,475	2,375	900	2,375	1,475	900
<b>Total appropriations provided to deliver services</b>	<b>615,875</b>	<b>622,144</b>	<b>6,269</b>	<b>622,144</b>	<b>573,018</b>	<b>49,126</b>
<b>CAPITAL</b>						
Item 142 Capital Contribution	43,434	43,434	-	43,434	57,263	(13,829)
<b>ADMINISTERED TRANSACTIONS</b>						
Administered grants, subsidies and other transfer payments	-	-	-	-	1,255	(1,255)
<b>Total administered transactions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,255</b>	<b>(1,255)</b>
<b>GRAND TOTAL</b>	<b>659,309</b>	<b>665,578</b>	<b>6,269</b>	<b>665,578</b>	<b>631,536</b>	<b>34,042</b>
<b>Details of Expenses by Service</b>						
Services to Maintain Lawful Behaviour and Prevent Crime	242,443	247,683	5,240	247,683	221,003	26,680
Emergency Management and Co-ordination	13,242	11,282	(1,960)	11,282	10,055	1,227
Traffic Law Enforcement and Management	102,606	106,440	3,834	106,440	103,198	3,242
Response to and Investigation of Offences	224,122	227,116	2,994	227,116	199,384	27,732
Services to the Judicial Process	64,364	60,018	(4,346)	60,018	60,556	(538)
<b>Total Cost of Services</b>	<b>646,777</b>	<b>652,539</b>	<b>5,762</b>	<b>652,539</b>	<b>594,196</b>	<b>58,343</b>
(Less) Total revenues from ordinary activities	(17,280)	(19,360)	(2,080)	(19,360)	(19,212)	(148)
<b>Net Cost of Services</b>	<b>629,497</b>	<b>633,179</b>	<b>3,682</b>	<b>633,179</b>	<b>574,984</b>	<b>58,195</b>
(Less)/Add Adjustments	(13,622)	(11,035)	2,587	(11,035)	(1,966)	(9,069)
<b>Total appropriations provided to deliver services</b>	<b>615,875</b>	<b>622,144</b>	<b>6,269</b>	<b>622,144</b>	<b>573,018</b>	<b>49,126</b>
<b>Capital Expenditure</b>						
Purchase of non-current physical assets	83,220	42,959	(40,261)	42,959	23,388	19,571
Adjustments for other funding sources	(39,786)	475	40,261	475	33,875	(33,400)
<b>Capital Contribution (appropriation)</b>	<b>43,434</b>	<b>43,434</b>	<b>-</b>	<b>43,434</b>	<b>57,263</b>	<b>(13,829)</b>
<b>DETAILS OF REVENUE ESTIMATES</b>						
Revenues disclosed as Administered Revenues	390	799	409	799	741	58
<b>Total Revenue Estimates</b>	<b>390</b>	<b>799</b>	<b>409</b>	<b>799</b>	<b>741</b>	<b>58</b>

The Summary of Consolidated Fund Appropriations, Variance to Budget and Actual should be read in conjunction with the accompanying notes.

This Summary provides the basis for the Explanatory Statement Information requirements of Treasurer's Instruction 945, set out at Note 39.

# SCHEDULE OF EXPENSES AND REVENUES BY SERVICE

for the year ended 30 June 2005

	Services to Maintain Lawful Behaviour and Prevent Crime		Emergency Management and Co-ordination		Traffic Law Enforcement and Management	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
<b>COST OF SERVICES</b>						
<b>Expenses from ordinary activities</b>						
Employee expenses	181,329	162,216	7,635	6,777	76,545	74,721
Services and contracts	37,343	35,223	2,068	1,845	16,751	16,779
Capital user charge	11,393	9,002	514	414	4,879	4,242
Depreciation and amortisation expense	6,796	6,570	495	483	3,276	3,327
Other expenses from ordinary activities	10,822	7,992	570	536	4,989	4,129
<b>Total Cost of services</b>	<b>247,683</b>	<b>221,003</b>	<b>11,282</b>	<b>10,055</b>	<b>106,440</b>	<b>103,198</b>
<b>Revenues from ordinary activities</b>						
<i>Revenue from operating activities</i>						
User charges and fees	5,710	6,385	141	90	2,071	2,717
Commonwealth grants	231	276	12	10	112	137
Contributions, sponsorships and donations	2,816	2,188	131	78	847	850
<i>Revenue from non-operating activities</i>						
Proceeds from disposal of non-current assets	58	-	10	-	12	-
Other revenues from ordinary activities	137	543	6	13	55	96
<b>Total Revenues from ordinary activities</b>	<b>8,952</b>	<b>9,392</b>	<b>300</b>	<b>191</b>	<b>3,097</b>	<b>3,800</b>
<b>NET COST OF SERVICES</b>	<b>238,731</b>	<b>211,611</b>	<b>10,982</b>	<b>9,864</b>	<b>103,343</b>	<b>99,398</b>
<b>Revenues from State Government</b>						
Service appropriation	234,568	210,886	10,791	9,830	101,542	99,056
State grants	1,237	1,197	64	44	578	581
Superannuation liability assumed by the Treasurer	2,910	426	109	13	1,333	237
Initial recognition of assets not previously recognised	256	158	7	4	79	73
Resources received free of charge	290	114	10	2	116	27
<b>Total Revenues from State Government</b>	<b>239,261</b>	<b>212,781</b>	<b>10,981</b>	<b>9,893</b>	<b>103,648</b>	<b>99,974</b>
<b>CHANGE IN NET ASSETS</b>	<b>530</b>	<b>1,170</b>	<b>(1)</b>	<b>29</b>	<b>305</b>	<b>576</b>

The Schedule of Expenses and Revenues by Service should be read in conjunction with the accompanying notes.

	Response to and Investigation of Offences		Services to the Judicial Process		TOTAL	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
<b>COST OF SERVICES</b>						
<b>Expenses from ordinary activities</b>						
Employee expenses	163,287	144,301	44,176	44,898	472,972	432,913
Services and contracts	38,024	34,723	9,031	9,526	103,217	98,096
Capital user charge	10,485	8,288	2,840	2,440	30,111	24,386
Depreciation and amortisation expense	5,061	4,880	1,375	1,513	17,003	16,773
Other expenses from ordinary activities	10,259	7,192	2,596	2,179	29,236	22,028
<b>Total Cost of services</b>	<b>227,116</b>	<b>199,384</b>	<b>60,018</b>	<b>60,556</b>	<b>652,539</b>	<b>594,196</b>
<b>Revenues from ordinary activities</b>						
<i>Revenue from operating activities</i>						
User charges and fees	3,016	2,228	1,084	761	12,022	12,181
Commonwealth grants	236	268	60	67	651	758
Contributions, sponsorships and donations	1,761	1,650	649	635	6,204	5,401
<i>Revenue from non-operating activities</i>						
Proceeds from disposal of non-current assets	27	-	6	-	113	-
Other revenues from ordinary activities	140	169	32	51	370	872
<b>Total Revenues from ordinary activities</b>	<b>5,180</b>	<b>4,315</b>	<b>1,831</b>	<b>1,514</b>	<b>19,360</b>	<b>19,212</b>
<b>NET COST OF SERVICES</b>	<b>221,936</b>	<b>195,069</b>	<b>58,187</b>	<b>59,042</b>	<b>633,179</b>	<b>574,984</b>
<b>Revenues from State Government</b>						
Service appropriation	218,069	194,405	57,174	58,841	622,144	573,018
State grants	1,249	1,129	299	301	3,427	3,252
Superannuation liability assumed by the Treasurer	2,834	333	575	154	7,761	1,163
Initial recognition of assets not previously recognised	151	124	32	89	525	448
Resources received free of charge	963	290	223	70	1,602	503
<b>Total Revenues from State Government</b>	<b>223,266</b>	<b>196,281</b>	<b>58,303</b>	<b>59,455</b>	<b>635,459</b>	<b>578,384</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,330</b>	<b>1,212</b>	<b>116</b>	<b>413</b>	<b>2,280</b>	<b>3,400</b>

The Schedule of Expenses and Revenues by Service should be read in conjunction with the accompanying notes.



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 1. MISSION AND FUNDING

The mission of the Western Australia Police Service (Police Service) and the outcome of its policing activities is *in partnership with the community, create a safer and more secure Western Australia by providing quality police services.*

The Police Service is predominantly funded by Parliamentary appropriations. It provides the following services on a fee-for-service basis: vehicle escorts, photographic reproductions, police clearance certificates, security services, private prosecution reports, freedom of information reports, conviction records and crash information. The fees charged are determined on a cost-recovery basis. The financial statements encompass all funds through which the Police Service controls resources to carry on its functions.

In the process of reporting on the Police Service as a single entity, all intra-entity transactions and balances have been eliminated.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been adopted in the preparation of the financial statements. Unless otherwise stated, these policies are consistent with those adopted in the previous year.

### (a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording. The *Financial Administration and Audit Act 1985* and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and UIG Consensus Views. The modifications are intended to fulfill the requirements of general application to the public sector, together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect is disclosed in individual notes to these financial statements.

### Basis of Accounting

The financial statements have been prepared in accordance with Accounting Standard AAS 29 'Financial Reporting by Government Departments'.

The statements have been prepared on the accrual basis of accounting using the historical cost convention, with the following exceptions:

- Certain non-current assets, which subsequent to initial recognition, have been measured on the fair value basis in accordance with the option under AAS 38 (5.1)–refer Note (i);
- Inventories–refer Note (n);
- Long service leave and leave liabilities–measured at the present value of expected future payments–refer Note (q).

Administered assets, liabilities, expenses and revenues are not integral to the Police Service in carrying out its functions and are disclosed in notes to the financial statements, forming part of the general purpose financial report of the Police Service. The administered items are disclosed on the same basis as is described above for the financial statements of the Police Service. The administered assets, liabilities, expenses and revenues are those which the Government requires the Police Service to administer on its behalf. The assets do not render any service potential or future economic benefits to the Police Service, the liabilities do not require the future sacrifice of service potential or future economic benefits of the Police Service, and the expenses and revenues are not attributable to the Police Service.

As the administered assets, liabilities, expenses and revenues are not recognised in the principal financial statements of the Police Service, the disclosure requirements of Accounting Standard AAS 33, 'Presentation and Disclosure of Financial Instruments', are not applied to administered transactions.



**(b) Service Appropriation**

Service appropriations are recognised as revenues in the period in which the Police Service gains control of the appropriated funds. The Police Service gains control of appropriated funds at the time those funds are deposited into the bank account or credited to the holding account held at the Department of Treasury and Finance. Refer to Note 15 for further commentary on service appropriations.

**(c) Contributed Equity**

Under UIG 38 'Contributions by Owners Made to Wholly-Owned Public Sector Entities', transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Capital contributions (appropriations) have been designated as contributions by owners and have been credited directly to Contributed Equity in the Statement of Financial Position. Capital appropriations which are repayable to the Treasurer are recognised as liabilities.

**(d) Net Appropriation Determination**

Pursuant to section 23A of the *Financial Administration and Audit Act 1985*, the net appropriation determination by the Treasurer provides for retention of the following moneys received by the Police Service:

- Proceeds from fees and charges;
- Recoups of services provided;
- Commonwealth specific-purpose grants;
- Sponsorships and donations; and
- One-off revenues with a value less than \$10,000 from the sale of property other than real property.

In accordance with the determination, the Police Service retained \$36.791 million in 2005 (\$33.925 million in 2004).

Retained revenues may only be applied to the services specified in the 2004-05 Budget Statements.

**(e) Grants and Other Contributions**

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Police Service obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were un-discharged as at the reporting date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes to the financial statements.

**(f) Revenue Recognition**

Revenue from the sale of goods and disposal of other assets and the rendering of services is recognised when the Police Service has passed control of the goods or other assets or delivery of the service to the customer.

**(g) Acquisition of Assets**

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Land vested within the Police Service is capitalised irrespective of value. All other assets are capitalised when their cost or fair value is \$5,000 or more.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 2. SIGNIFICANT ACCOUNTING POLICIES (cont)

### (h) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated for on either a straight-line basis net of residual values, or on a straight line as is the case for livestock. Depreciation rates are reviewed annually and the expected useful lives for each class of depreciable asset are:

CLASS OF ASSETS	2004-05 Years
Buildings	50
Transportables	20
Vehicles	
- Motor vehicles and cycles	5
- All Other Vehicles	7
Aircraft and Vessels	
- Aircraft	20
- Vessels	10 to 15
Computing and Office Equipment	
- Computing hardware	4 to 8
- Office equipment	7
- Furniture and fittings	10
- Communication equipment	7
Livestock	
- Dogs and horses	8 to 20
Other Plant and Equipment	
- Radio equipment	7
- Audio-visual equipment	7
- Firearms equipment	10
- Photographic equipment	8
- Traffic equipment	8
- Scientific equipment	10
- Other Plant and Equipment	10

Artworks controlled by the Police Service have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

### (i) Revaluation of Land, Buildings, Aircraft, Vessels and Livestock

The Police Service has a policy of valuing land, buildings, aircraft, vessels and livestock at fair value. As land, buildings and livestock can experience frequent and material movements in fair value, a revaluation is considered necessary each reporting period. Such frequent revaluations is considered unnecessary for aircraft and vessels as these asset classes have experienced only immaterial movements in fair value. For these asset types, a revaluation would be performed every two to three years.

The revaluation of freehold land and buildings was performed in July 2004 in accordance with an independent valuation by the Department of Land Information (Valuation Services). Fair value of land and buildings has been determined on the basis of current market buying values or existing use value. Existing use value is used for assets which are not normally sold in the real estate market such as police stations and represents the sites' land value added to the depreciated replacement cost of any improvements.

The revaluation of livestock was performed in July 2004 in accordance with an independent valuation by Australian Valuation Partners. Fair value of livestock has been determined on the basis of current market buying values.

Assets acquired between revaluations are reported at cost.

**(j) Intangible Assets**

Significant costs associated with the acquisition or development of computer software are capitalised and amortised on a straight-line basis over the periods of the expected benefit, which varies from four to eight years.

**(k) Leases**

The Police Service has entered into a number of operating lease arrangements for buildings and office equipment where the lessors effectively retain all of the risks and benefits incident to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

**(l) Cash**

For the purpose of the Statement of Cash Flows, cash includes cash assets and restricted cash assets. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

Restricted cash assets are those cash assets, the uses of which are restricted, wholly or partly, by regulations or externally imposed requirements.

**(m) Receivables**

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubt as to collection exists and in any event where the debt is more than 120 days overdue.

**(n) Inventories**

Inventories have been valued at the lower of cost and net realisable value. Reported holdings have been confirmed through an annual stocktake. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis.

**(o) Payables**

Payables, including accruals not yet billed, are recognised when the Police Service becomes obliged to make future payments as a result of a purchase of assets or services. Payables are generally settled within 30 days.

**(p) Accrued Salaries**

The accrued salaries suspense account (refer Note 21) consists of amounts paid annually into a suspense account over a period of ten financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries (refer Note 29) represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a few days of the financial year's end. The Police Service considers the carrying amount of accrued salaries to be equivalent to the net fair value.

**(q) Employee Benefits**

***Annual leave***

This benefit is recognised at the reporting date in respect to employees' service up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

***Annual leave loading***

The provision for annual leave loading represents the present amount payable for annual leave accrued since 1 January 2003 for non-police officers. This entitlement is measured at nominal amounts expected to be paid when the liabilities are settled.

For police officers, the annual leave loading is reported as an accrued expense as payment is made annually irrespective of whether leave is taken.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 2. SIGNIFICANT ACCOUNTING POLICIES (cont)

### *Long service leave*

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provisions for employee benefits and is measured at the nominal amounts expected to be paid when the liability is settled. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provisions for employee benefits and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Consideration is given, when assessing expected future payments, to expected future wage and salary levels including relevant on-costs, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currently that match, as closely as possible, the estimated future cash outflows.

### *38-hour leave liability*

The provision for 38-hour leave liability represents a commitment by Cabinet in 1986 to honour an agreement to accrue additional hours worked between 1 January and 30 September 1986. This was after the government of the day granted a 38-hour week to police officers, back-dated to 1 January 1986.

The hours accrued are only payable on retirement, resignation or termination and this liability is measured on the same basis as long service leave.

### *Special paid leave*

The provision for special paid leave represents the negotiated leave entitlement to Sworn Officers who previously accrued long service leave on a ten-year basis prior to the accrual period changing to seven years. This liability is measured at nominal amounts expected to be paid when the liabilities are settled.

### *Sick leave*

No provision is made for non-vesting sick leave as the sick leave taken each reporting period is less than the entitlement accruing, and this is expected to recur in future reporting periods.

### *Deferred leave*

The provision for deferred leave relates to Public Service employees who have entered into an agreement, to self-fund an additional twelve (12) months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. The liability is measured on the same basis as for long service leave.

### *Purchased leave*

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional four (4) weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the nominal amounts expected to be paid when the liability is settled.

### *Time Off in Lieu*

The liability for accumulated days off (time off in lieu) expected to be paid within 12 months of the reporting date are recognised and are measured as the amount unpaid at the reporting date at the rates expected to be paid when the liability is settled.

### *On-costs*

Employee on-costs, including Superannuation and WorkCover premiums, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses. The associated expense is included under Note 5, Employee expenses.

**(r) Superannuation**

Staff may contribute to the Pension Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non-contributory members of the West State Superannuation Scheme, an accumulation fund. The Police Service contributes to this accumulation fund in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. All of these schemes are administered by the Government Employees Superannuation Board (GESB).

The superannuation expense comprises the following two elements:

- change in the unfunded employer's liability in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme; and
- employer contributions paid to the Gold State Superannuation Scheme and the West State Superannuation Scheme.

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided by the Police Service in the current year.

A revenue 'Liabilities assumed by the Treasurer' equivalent to the first element above is recognised under Revenues from State Government in the Statement of Financial Performance as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

The Police Service is funded for employer contributions in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. These contributions were paid to the GESB during the year. The GESB subsequently paid the employer contributions in respect of the Gold State Superannuation Scheme to the Consolidated Fund.

The liabilities for superannuation charges under the Gold State Superannuation Scheme and West State Superannuation Scheme are extinguished by payment of employer contributions to the GESB.

**(s) Resources Received Free of Charge or For Nominal Value**

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and expenses as appropriate at fair value.

**(t) Resources Provided Free of Charge or For Nominal Value**

The Police Service provides a range of services free of charge to other government agencies. Information on resources provided free of charge has not been reported at balance date. Further progress will be made during 2005-06.

**(u) Monies held in Trust**

The Police Service receives money in a trustee capacity in the form of Found Money, Stolen Money and Seized Monies. As the Police Service only performs a custodial role in respect of these monies, and because the monies cannot be used for achievement of the Police Service's objectives, they are not brought to account in the Financial Statements, but are reported within the notes to the Financial Statements (refer Note 42).

**(v) Comparative Figures**

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures presented in the current financial year.

**(w) Rounding of Amounts**

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 3. SERVICES OF THE POLICE SERVICE

Information about the services of the Police Service is set out in the Schedule of Expenses and Revenues by Service.

The five key services of the Police Service are:

***Service 1: Services to Maintain Lawful Behaviour and Prevent Crime***

Lawful behaviour and community safety.

***Service 2: Emergency Management and Co-ordination***

Lawful behaviour and community safety.

***Service 3: Traffic Law Enforcement and Management***

Lawful road-user behaviour.

***Service 4: Response to and Investigation of Offences***

Offenders apprehended and dealt with in accordance with the law.

***Service 5: Services to the Judicial Process***

Offenders apprehended and dealt with in accordance with the law.

Information about expenses, revenues, assets and liabilities administered by the Police Service are given in the Schedule of Administered Expenses and Revenues and the Schedule of Administered Assets and Liabilities (Note 40).

## 4. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AIFRS)

Under AASB 1047(4.2) the Police Service shall disclose in its financial report:

- any known or reliably estimable information about the impacts on the financial report had it been prepared using the AIFRS; or
- if the impacts above are not known or reliably estimable, a statement to that effect.

The Police Service has conducted its review in restating the 1 July 2004 opening balance sheet and the 30 June 2005 balance sheet under the AIFRS. The outcome has been provided in reconciliations reported in Note 41.

## 5. EMPLOYEE EXPENSES

	2005 \$'000	2004 \$'000
Salaries and wages	337,205	315,031
Leave expenses (i)	56,806	52,920
Superannuation	44,998	36,137
Employee housing	15,270	13,701
Relocation and relieving expenses	5,666	4,125
Fringe benefits tax	2,826	2,694
Uniforms and protective clothing	2,957	2,964
Medical expenses	3,085	2,577
Other	4,159	2,764
	<b>472,972</b>	<b>432,913</b>

(i) These employee expenses include superannuation, workers compensation premiums and other employment on-costs associated with the recognition of annual leave, long service leave and special paid leave. The related on-costs liability is included in employee benefit liabilities at Note 27.

## 6. SERVICES AND CONTRACTS

Repairs and maintenance	20,401	17,866
Rental, leases and hire	14,789	15,476
Insurances and licences	5,334	5,572
Travel expenses	4,688	4,977
Electricity, water and rates	4,862	4,773
Communication expenses	7,466	7,593
Other services and contracts	45,677	41,839
	<b>103,217</b>	<b>98,096</b>

## 7. CAPITAL USER CHARGE

A capital user charge rate of 8 per cent has been set by the government and represents the opportunity cost of capital invested in the net assets of the Police Service used in the provision of services. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.

	<b>30,111</b>	<b>24,386</b>
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## 8. DEPRECIATION AND AMORTISATION EXPENSE

Depreciation		
Buildings	5,451	5,070
Vehicles	451	547
Aircraft and vessels	396	418
Computing and office equipment	1,637	1,376
Livestock	270	225
Leasehold improvements	75	121
Other plant and equipment	1,804	1,448
	<b>10,084</b>	<b>9,205</b>
Amortisation		
Software	6,919	7,568
	<b>6,919</b>	<b>7,568</b>
	<b>17,003</b>	<b>16,773</b>



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

	2005 \$'000	2004 \$'000
<b>9. OTHER EXPENSES FROM ORDINARY ACTIVITIES</b>		
Fuels and oils	5,709	5,190
Consumables	5,363	5,134
Equipment acquisitions	12,827	8,744
Doubtful debts	100	77
Carrying amount on non-current assets disposed of	86	4
Other assets written off not elsewhere reported*	698	642
Services received free of charge	1,602	503
Grants, subsidies and transfer payments	750	478
Other expenses from ordinary activities	2,101	1,256
	<b>29,236</b>	<b>22,028</b>
<p><i>*Other assets written off not elsewhere reported includes items sold, reductions due to capitalisation policy changes and those write-offs in accordance with the Financial Administration and Audit Act 1985 s45 located within Note 36.</i></p>		
<b>10. USER CHARGES AND FEES</b>		
Regulated fees		
Firearms	3,080	2,941
Security and related activities	731	861
Pawnbrokers and secondhand dealers	103	109
Vehicle escorts	1,313	1,618
Clearance certificates	3,367	2,552
Crash information	124	185
Other regulated fees	290	271
	<b>9,008</b>	<b>8,537</b>
Recoups of services provided		
Gold stealing	572	437
National Crime Authority	169	283
Family Law Court security	76	73
Search and rescue	16	65
Response to child abuse	-	23
Other	527	391
	<b>1,360</b>	<b>1,272</b>
Other Recoups	1,654	2,372
	<b>12,022</b>	<b>12,181</b>
<b>11. COMMONWEALTH GRANTS</b>		
Police Recruit Traineeship Program	432	499
National Campaign Against Drug Abuse	146	146
Standing Action Committee for Protection Against Violence	70	100
Other	3	13
	<b>651</b>	<b>758</b>

## 12. CONTRIBUTIONS, SPONSORSHIPS AND DONATIONS

### Contributions

Employee rental contributions	3,440	3,139
Executive vehicle contributions	103	100
Other contributions	416	931
	<u>3,959</u>	<u>4,170</u>

### Sponsorships and Donations

Sponsorships	49	241
Cash donations	1	-
Non-cash donations	2,195	990
	<u>2,245</u>	<u>1,231</u>
	<b>6,204</b>	<b>5,401</b>

## 13. NET GAIN (LOSS) ON DISPOSAL OF NON-CURRENT ASSETS

### (a) Net Gain on Disposal of Non-Current Assets

Vehicles	9	-
Aircraft and Vessels	27	-
Other Plant and Equipment	6	-
	<u>42</u>	<u>-</u>

### (b) Net Loss on Disposal of Non-Current Assets

Computing and Office Equipment	(4)	(4)
Other Plant and Equipment	(11)	-
	<u>(15)</u>	<u>(4)</u>
<b>Net gain/(loss)</b>	<b>27</b>	<b>(4)</b>

Vehicle sale proceeds are not retained by the Police Service and are disclosed in Note 40, Administered Expenses and Revenues. In 2004-05 the net book value of vehicles is disclosed within Contributed Equity (refer Note 30 (a)).

## 14. OTHER REVENUES FROM ORDINARY ACTIVITIES

Proceeds from Sale of Equipment items	16	18
Other revenues from ordinary activities	354	854
	<u>370</u>	<u>872</u>

## 15. SERVICE APPROPRIATION

Service appropriation received during the year	619,769	571,543
<i>Salaries and Allowances Act 1975</i>	2,375	1,475
	<u>622,144</u>	<u>573,018</u>

Service appropriations are accrual amounts reflecting the full cost paid for services delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

2005  
\$'000

2004  
\$'000

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 16. STATE GRANTS

Road Trauma Trust Fund  
Other

	2005 \$'000	2004 \$'000
Road Trauma Trust Fund	3,420	3,250
Other	7	2
	<b>3,427</b>	<b>3,252</b>

## 17. SUPERANNUATION LIABILITY ASSUMED BY THE TREASURER

The following liability has been assumed by the Treasurer during the financial year:

- Superannuation

- Superannuation	7,761	1,163
	<b>7,761</b>	<b>1,163</b>

The assumption of the superannuation liability by the Treasurer is only a notional revenue to offset the notional superannuation expense reported in respect of current employees who are members of the pension scheme and current employees who have a transfer benefit entitlement under the Gold State Superannuation Scheme.

## 18. INITIAL RECOGNITION OF ASSETS NOT PREVIOUSLY RECOGNISED

Initial recognition of assets not previously recognised in the financial statements:

- Vehicles  
- Computing and Office Equipment  
- Livestock  
- Other Plant and Equipment  
- Intangibles  
- Firearms library  
- Artwork

- Vehicles	-	34
- Computing and Office Equipment	35	27
- Livestock	110	-
- Other Plant and Equipment	380	197
- Intangibles	-	46
- Firearms library	-	139
- Artwork	-	5
	<b>525</b>	<b>448</b>

Where assets have been discovered or have not been previously recognised in the financial statements, the Police Service recognises the corresponding credit as revenue.

## 19. RESOURCES RECEIVED FREE OF CHARGE

Resources received free of charge is determined by the following estimates provided by agencies:

- Title searches and valuation services provided by the Department of Land Information  
- Collection of firearm licences provided by the Department for Planning and Infrastructure  
- Leased management services provided by the Department of Housing and Works  
- Labour relation services provided by the Department of Consumer and Employment Protection  
- Recruitment services provided by the Department of the Premier and Cabinet, Public Sector Management Division  
- Procurement services provided by the Department of Treasury and Finance

- Title searches and valuation services provided by the Department of Land Information	970	368
- Collection of firearm licences provided by the Department for Planning and Infrastructure	38	42
- Leased management services provided by the Department of Housing and Works	65	53
- Labour relation services provided by the Department of Consumer and Employment Protection	8	36
- Recruitment services provided by the Department of the Premier and Cabinet, Public Sector Management Division	5	4
- Procurement services provided by the Department of Treasury and Finance	516	-
	<b>1,602</b>	<b>503</b>

Where services have been received free of charge or for nominal consideration, the Police Service recognises revenues equivalent to the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as expenses.

## 20. CASH ASSETS

### Operating Account

Amounts appropriated and any revenues subject to net appropriation determinations are deposited into this account, from which all payments are made.

2005 \$'000	2004 \$'000
64,510	45,222

### Advances

Advances include permanent and temporary advances allocated to areas within the Police Service.

375	341
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<b>64,885</b>	<b>45,563</b>
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## 21. RESTRICTED CASH ASSETS

Restricted cash assets are those cash assets, the uses of which are restricted, wholly or partly, by regulations or externally imposed requirement.

### Accrued Salaries Suspense Account

Pursuant to section 27 (2) of the Financial Administration and Audit Act 1985, amounts are annually transferred to this Trust to provide for the payment of a 27th pay period occurring every eleven years.

-	14,376
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### Police Recruit Traineeship Fund

To hold grant moneys received from the Commonwealth for the funding of the Recruit Traineeship Program.

846	1,070
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### National Campaign Against Drug Abuse (NCADA)

To hold grant moneys received from the Commonwealth and the Police Service for the funding of law enforcement programs relating to alcohol and drug use.

347	290
-----	-----

### Road Trauma Trust Fund

To hold grant moneys received from the Road Trauma Trust Fund to facilitate the implementation of approved road safety programs and initiatives.

-	523
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### Receipts in Suspense

Receipts in suspense refer to moneys being retained pending the identification of their purpose. The funds may be cleared by refund to the payer, transfer to the correct account, payment to another government agency or transfer to Treasury.

165	121
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### Police Youth Drug Strategy Project (GURD)

To hold unspent money received from Bunnings in relation to the Police Youth Drug Strategy Project.

2	2
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### Moneys held for Rewards

To hold moneys received by the Police Service from the private sector for the purpose of issuing rewards.

12	12
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### National Counter-Terrorism Committee (NCTC)

To hold moneys received by the Police from the Commonwealth for the funding of National Counter-Terrorist exercises.

251	6
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<b>1,623</b>	<b>16,400</b>
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## 22. RECEIVABLES

Trade Debtors

1,274	1,648
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Provision for Doubtful Debts

(176)	(116)
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GST Receivable

2,526	2,243
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<b>3,624</b>	<b>3,775</b>
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# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

	2005 \$'000	2004 \$'000
<b>23. AMOUNTS RECEIVABLE FOR SERVICES</b>		
Current	18,400	17,907
Non-current	32,743	23,730
	<b>51,143</b>	<b>41,637</b>

This asset represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

## 24. OTHER CURRENT ASSETS

Inventories*	1,297	1,708
Accrued Income	1,101	200
Prepayments	3,260	3,965
	<b>5,658</b>	<b>5,873</b>

\*Inventories comprise items held by Electronics, Traffic, Air Support, Ballistics and Tactical Response Group.

## 25. PROPERTY, VEHICLES, PLANT AND EQUIPMENT

### (a) Property, Vehicles, Plant and Equipment comprise the following asset classes:

<b>Land</b>		
At fair value	100,633	91,777
	<b>100,633</b>	<b>91,777</b>
<b>Buildings</b>		
At fair value	221,263	206,601
Accumulated depreciation	(6,151)	(5,733)
	<b>215,112</b>	<b>200,868</b>
<b>Works in Progress</b>		
Buildings under construction—at cost	22,943	3,120
	<b>22,943</b>	<b>3,120</b>
<b>Vehicles</b>		
At cost	5,764	5,624
Accumulated depreciation	(3,594)	(3,407)
	<b>2,170</b>	<b>2,217</b>
<b>Aircraft and Vessels</b>		
At fair value	4,634	4,500
Accumulated depreciation	(1,225)	(904)
	<b>3,409</b>	<b>3,596</b>
<b>Computing and Office Equipment</b>		
At cost	12,710	12,002
Accumulated depreciation	(6,516)	(5,893)
	<b>6,194</b>	<b>6,109</b>

## 25. PROPERTY, VEHICLES, PLANT AND EQUIPMENT (continued)

	2005 \$'000	2004 \$'000
<b>Livestock</b>		
At fair value	1,668	1,731
Accumulated depreciation	(260)	(220)
	<b>1,408</b>	<b>1,511</b>
<b>Other Plant and Equipment</b>		
At cost	28,263	25,848
Accumulated depreciation	(15,907)	(14,566)
	<b>12,356</b>	<b>11,282</b>
<b>Artwork</b>		
At cost	310	310
	<b>310</b>	<b>310</b>
<b>Leasehold Improvements</b>		
At cost	2,090	2,070
Accumulated amortisation	(1,688)	(1,806)
	<b>402</b>	<b>264</b>
	<b>364,937</b>	<b>321,054</b>

(b) **Reconciliations of the Carrying Amount of Property, Vehicles, Plant and Equipment at the Beginning and End of the Current Financial Year are set out below:**

	Carrying amount at start of year	Additions	Disposals	Transfers between classes	Revaluation	Depreciation	Carrying amount at end of year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	91,777	-	(1,208)	1,400	8,664	-	100,633
Buildings	200,868	66	(342)	2,882	17,089	(5,451)	215,112
Works in Progress	3,120	24,481	-	(4,658)	-	-	22,943
Vehicles	2,217	480	(76)	-	-	(451)	2,170
Aircraft and Vessels	3,596	256	(47)	-	-	(396)	3,409
Computing/Office Equip	6,109	1,259	(79)	542	-	(1,637)	6,194
Livestock	1,511	122	(216)	-	261	(270)	1,408
Other Plant/Equip	11,282	2,902	(62)	38	-	(1,804)	12,356
Artwork	310	-	-	-	-	-	310
Leasehold Improvements	264	-	(43)	256	-	(75)	402
	<b>321,054</b>	<b>29,566</b>	<b>(2,073)</b>	<b>460</b>	<b>26,014</b>	<b>(10,084)</b>	<b>364,937</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 26. INTANGIBLE ASSETS

	2005 \$'000	2004 \$'000
Software at cost	65,578	67,107
Accumulated amortisation	(22,484)	(18,791)
	<b>43,094</b>	<b>48,316</b>
Software Development in Progress	<b>30,075</b>	<b>16,403</b>
	<b>73,169</b>	<b>64,719</b>

Reconciliations of the Carrying Amount of Intangible Assets at the Beginning and End of the Current Financial Year are set out below:

	Carrying amount at start of year \$'000	Additions \$'000	Disposals \$'000	Transfers between classes \$'000	Revaluation \$'000	Depreciation \$'000	Carrying amount at end of year \$'000
Software	48,316	64	-	1,633	-	( 6,919)	43,094
Software in Progress	16,403	15,765	-	( 2,093)	-	-	30,075
	<b>64,719</b>	<b>15,829</b>	<b>-</b>	<b>(460)</b>	<b>-</b>	<b>(6,919)</b>	<b>73,169</b>

## 27. PROVISIONS

Employee entitlements have been recognised in the Financial Statements as follows:

- Current liabilities (a)	54,541	48,756
- Non-current liabilities (b)	73,233	73,011
	<b>127,774</b>	<b>121,767</b>
<b>(a) Current Liabilities</b>		
- Annual leave	37,846	38,187
- Long service leave	10,218	8,174
- Annual leave loading	463	410
- Time off In lieu/accrued time off	372	451
- Special paid leave	337	344
- 38-hour leave	158	158
- Purchased leave	189	169
- Other (i)	4,958	863
	<b>54,541</b>	<b>48,756</b>
<b>(b) Non-Current Liabilities</b>		
- Long service leave	64,015	63,852
- 38-hour leave	2,432	2,379
- Deferred leave	86	38
- Other (i)	6,700	6,742
	<b>73,233</b>	<b>73,011</b>

(i) The settlement of annual leave, long service leave and special paid leave gives rise to the payment of on-costs including superannuation and workers compensation premiums. The liability for such on-costs is included here. The associated expense is included under employee expenses at Note 5.



## 28. PAYABLES

	2005 \$'000	2004 \$'000
Trade Payables	7,442	3,923
	<b>7,442</b>	<b>3,923</b>

## 29. OTHER CURRENT LIABILITIES

Sundry Accruals		
- Accrued salaries	-	13,109
- Accrued superannuation	-	1,216
- Police officers' leave loading expense	2,414	2,242
- Fringe benefit tax liability	688	613
- Other accruals	1,986	1,462
	<b>5,088</b>	<b>18,642</b>
Income in Advance	173	566
	<b>5,261</b>	<b>19,208</b>

## 30. EQUITY

Equity represents the residual interest in the net assets of the Police Service. The Government holds the equity interest in the Police Service on behalf of the community. The Asset Revaluation Reserve represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity (a)	153,352	111,207
Asset revaluation reserve (b)	214,511	189,993
Accumulated surplus/(deficiency) (c)	56,699	52,923
	<b>424,562</b>	<b>354,123</b>

### (a) Contributed Equity

Balance at 1 July 2004	111,207	55,903
Capital contributions	43,434	57,263
Distribution to owners (i)	(1,254)	(1,767)
Asset Retirements non-retained	(35)	(192)
<b>Balance at 30 June 2005</b>	<b>153,352</b>	<b>111,207</b>

(i) Relates to discretionary transfers of assets between State Government agencies. The amounts reported relate to land and buildings, those transferred to Department for Planning and Infrastructure upon sale, and assets assumed via the annual revaluation reconciliation.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

	2005 \$'000	2004 \$'000
<b>30. EQUITY (continued)</b>		
<b>(b) Asset Revaluation Reserve</b>		
Balance at 1 July 2004	189,993	182,560
Net revaluation increments/(decrements)		
- Land	8,664	146
- Buildings	17,089	7,748
- Livestock	261	613
	26,014	8,507
Transfer to accumulated surplus/(deficiency) on sale of previously revalued assets	(1,496)	(1,074)
<b>Balance at 30 June 2005</b>	<b>214,511</b>	<b>189,993</b>
<b>(c) Accumulated Surplus/(Deficiency)</b>		
Balance at 1 July 2004	52,923	48,449
Change in net assets	2,280	3,400
Transfer to accumulated surplus/(deficiency) on sale of previously revalued assets	1,496	1,074
<b>Balance at 30 June 2005</b>	<b>56,699</b>	<b>52,923</b>
<b>(d) Total Changes in Equity Other Than Those Resulting From Transactions with WA State Government as Owner</b>		
Change in net assets after restructuring	2,280	3,400
Net revaluation increments/(decrements) to asset revaluation reserve	26,014	8,507
Transfer to accumulated surplus/(deficiency) on sale of previously revalued assets	(1,496)	(1,074)
<b>Balance at 30 June 2005</b>	<b>26,798</b>	<b>10,833</b>
<b>31. NOTES TO THE STATEMENT OF CASH FLOWS</b>		
<b>(a) Reconciliation of Cash</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash assets	64,885	45,563
Restricted cash assets	1,623	16,400
<b>Balance at 30 June 2005</b>	<b>66,508</b>	<b>61,963</b>

2005  
\$'000

2004  
\$'000

### 31. NOTES TO THE STATEMENT OF CASH FLOWS

(continued)

#### (b) Reconciliation of Net Cost of Services to Net Cash Flows Provided by/(Used in) Operating Activities

	(633,179)	(574,984)
<b>Net cost of services</b>		
Non-cash items:		
Depreciation and amortisation expense	17,003	16,774
Resources received free of charge	1,602	502
Donated assets	(701)	(275)
Superannuation expense	7,761	1,162
Doubtful and bad debts expense	100	77
Adjustment to carrying value of assets	556	(1,656)
(Increase)/decrease in assets:		
Receivables	434	(600)
Prepayments	705	1,302
Accrued income	(37)	420
Inventories	411	232
Increase/(decrease) in liabilities:		
Payables	3,519	(1,739)
Sundry accruals	(13,554)	5,360
Provisions	6,007	8,703
Income in advance	(393)	(164)
Net change in GST:		
Net GST receipts/(payments) (i)	-	-
Change in GST (receivables)/payables (ii)	(283)	(1,044)
	<b>23,130</b>	<b>29,054</b>
<b>Net cash (used in)/provided by operating activities</b>	<b>(610,049)</b>	<b>(545,930)</b>

(i) This is the net GST paid/received, i.e. cash transactions.

(ii) This reverses out the GST in receivables and payables.

#### (c) Non-cash Financing and Investing Activities

Information about transactions and other events which do not result in any cash flows during the reporting period but affect assets and liabilities that are recognised must be disclosed in the General Purpose Financial Statements where the transactions and other events:

(a) involve external parties; and

(b) relate to the financing, investing and other non-operating activities of the Police Service.

During the financial year, the Police Service received donated assets from external parties to the value of \$701,000 compared to \$275,000 in 2003-04.

During the year, there was \$1.254 million of assets transferred to the Department for Planning and Infrastructure.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 32. COMMITMENTS FOR EXPENDITURE

### (a) Capital Expenditure Commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements are payable as follows:

Within one year	123,535	88,114
Later than one year but not later than two years	94,833	65,896
Later than two years but not later than five years	160,520	113,828
	<b>378,888</b>	<b>267,838</b>

The capital commitment includes amounts for:

Buildings	201,947	109,078
Computer infrastructure upgrades	121,006	139,319
Other asset acquisitions	55,935	19,441
	<b>378,888</b>	<b>267,838</b>

### (b) Lease Commitments

Operating lease commitments at the reporting date arising through non-cancellable agreements:

Within one year	10,540	9,657
Later than one year but not later than two years	7,157	6,456
Later than two years but not later than five years	8,699	11,986
Later than five years	-	-
	<b>26,396</b>	<b>28,099</b>

Representing:

Cancellable operating leases	9,607	8,388
Non-cancellable operating leases	16,789	19,711
	<b>26,396</b>	<b>28,099</b>

Non-cancellable operating lease commitments

The Police Service leases certain vehicles and items of plant and office equipment. The lease expenditure is expensed as it is incurred.

Commitments for minimum lease payments are payable as follows:

Within one year	4,126	3,816
Later than one year but not later than two years	4,261	3,940
Later than two years but not later than five years	8,402	11,955
Later than five years	-	-
	<b>16,789</b>	<b>19,711</b>

### (c) Other Expenditure Commitments

Other expenditure commitments at the reporting date arising through the placement of purchase orders or non-cancellable agreements and are payable as follows:

Within one year	49,247	29,772
Later than one year but not later than two years	36,305	17,506
Later than two years but not later than five years	37,041	28,224
Later than five years	475	475
	<b>123,068</b>	<b>75,977</b>

Representing:

Staff training	734	628
Computing costs	99,737	58,333
Communication costs	6,359	1,295
Other	16,238	15,721
	<b>123,068</b>	<b>75,977</b>

**2005**  
**\$'000**

**2004**  
**\$'000**

### 33. CONTINGENT LIABILITIES

#### UNSETTLED LEGAL CLAIMS AND ACT OF GRACE PAYMENTS

The value reported represents the maximum obligation potentially payable for the claims on hand at 30 June 2005.

**16,239**

**9,335**

#### MEDICAL EXPENSES

Under Police Service Regulations and the current Enterprise Bargaining and Workplace Agreement, the Police Service is obliged to reimburse sworn officers for their medical expenses. Work-related medical expenses are met in full by the Police Service. Non-work-related medical expenses are reimbursed to the amount not covered by Medicare and private health providers. The total liability in respect of work-related medical costs is not able to be reliably measured at 30 June 2005.

### 34. REMUNERATION AND RETIREMENT BENEFITS OF SENIOR OFFICERS

#### DEFINITION OF A SENIOR OFFICER

A senior officer means a person, by whatever name called, who is concerned or takes part in the management of the Police Service. The Police Service's senior officers comprise uniformed members of the Police Service Command group, and other senior public servants.

#### REMUNERATION

The number of senior officers, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands:

\$		2005	2004
10,001 - 20,000	*	1	-
20,001 - 30,000	*	1	2
30,001 - 40,000	*	3	-
40,001 - 50,000	*	-	2
60,001 - 70,000		4	-
70,001 - 80,000	*	-	1
80,001 - 90,000	*	1	1
90,001 - 100,000	*	1	2
100,001 - 110,000	*	-	3
110,001 - 120,000		-	2
120,001 - 130,000		2	2
130,001 - 140,000		-	1
140,001 - 150,000		4	-
160,001 - 170,000		4	2
180,001 - 190,000		1	1
210,001 - 220,000		4	-
220,001 - 230,000		1	-
310,001 - 320,000		-	1
380,001 - 390,000		1	-

The total remuneration of senior officers is:

**3,726**

**2,242**

The superannuation included here represents the superannuation expense incurred by the Police Service in respect of senior officers. No senior officers are members of the Pension Scheme.

\*Includes senior officers where periods of service are less than twelve months.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 35. FINANCIAL INSTRUMENTS

### (a) Interest Rate Risk Exposure

The following table details the Police Service's exposure to interest rate risk as at the reporting date:

	Weighted average effective interest rate	Fixed Interest Rate Maturity					Non-interest bearing	Total
		Variable interest rate	Maturity Less than 1 year	1 to 5 years	More than 5 years			
2005	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Financial Assets</b>								
Cash assets	-	-	-	-	-	64,885	64,885	
Restricted cash assets	-	-	-	-	-	1,623	1,623	
Receivables	-	-	-	-	-	3,624	3,624	
Accrued income	-	-	-	-	-	1,101	1,101	
						<b>71,233</b>	<b>71,233</b>	
<b>Financial Liabilities</b>								
Payables	-	-	-	-	-	7,442	7,442	
Other accrued expenses	-	-	-	-	-	5,088	5,088	
Employee entitlements	-	-	-	-	-	127,774	127,774	
						<b>140,304</b>	<b>140,304</b>	
<b>Net Financial Assets (Liabilities)</b>						<b>(69,071)</b>	<b>(69,071)</b>	
<b>2004</b>								
Financial Assets	-	-	-	-	-	65,938	65,938	
Financial Liabilities	-	-	-	-	-	144,332	144,332	
<b>Net Financial Assets (Liabilities)</b>						<b>(78,394)</b>	<b>(78,394)</b>	

### (b) Credit Risk Exposure

All financial assets are unsecured.

Amounts owing by other Government agencies are guaranteed and therefore no credit risk exists in respect of those amounts. In respect of other financial assets, the carrying amount represents the Police Service's maximum exposure to credit risk in relation to those assets.

	2005 \$'000	2004 \$'000
The following is an analysis of the amounts owing by other Government agencies		
- Western Australian Government Agencies	454	242
<b>Total</b>	<b>454</b>	<b>242</b>

### (c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in Note 2(g) of the financial statements.

2005  
\$'000

2004  
\$'000

### 36. SUPPLEMENTARY FINANCIAL INFORMATION

#### (a) Write-offs

Public and other property, revenue and debts due to the State were written-off in accordance with section 45 of the *Financial Administration and Audit Act 1985* under the authority of:

The Accountable Officer	76	44
The Minister	73	-
Executive Council	-	-
	<b>149</b>	<b>44</b>

Analysis of the write-off is as follows:

Bad debts	40	29
Property damage	106	15
Stolen property	3	-
	<b>149</b>	<b>44</b>

#### (b) Losses Through Theft, Defaults and Other Causes

Losses of public property through theft, default or otherwise  
*Less: Amount recovered*

	149	44
	-	-
	<b>149</b>	<b>44</b>

### 37. REMUNERATION OF AUDITOR

Remuneration to the Auditor General for the financial year is as follows:

Auditing the accounts, financial statements and performance indicators.

	<b>118</b>	<b>121</b>
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### 38. AFFILIATED BODIES

An affiliated body of the Police Service is a body which receives more than half its funding and resources from the Police Service, but is not subject to operational control by the Police Service.

#### INVESTING IN COMMUNITIES (WESTERN AUSTRALIA) INC

Investing in Communities (Western Australia) Inc. (formerly known as Safer WA) in conjunction with the Police Service, other State Government agencies, local government and the community to achieve a safer and more secure Western Australia. The Police Service provides staffing resources and an annual grant to assist the committee in meeting its objectives.

Salaries	51	49
Other expenses	-	103
	<b>51</b>	<b>152</b>



# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 39. EXPLANATORY STATEMENT

The Summary of Consolidated Fund Appropriations and Revenue Estimates discloses appropriations and other statutes expenditure estimated, the actual expenditures made and revenue estimates and payments into the Consolidated Fund. Appropriations are now on an accrual basis.

The following explanations are provided in accordance with Treasurer's Instruction 945. Significant variations are considered to be those greater than 10 per cent.

### (a) Significant Variances Between Estimate and Actual

(i) TOTAL APPROPRIATION PROVIDED TO DELIVER SERVICES	2005 Estimate \$'000	2005 Actual \$'000	2005 Variation \$'000
---	----------------------------	--------------------------	-----------------------------

<b>Total appropriation provided to deliver services for the year</b>	614,400	619,769	5,369
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The \$5.369 million authorisation to increase expenditure related mainly to funding increases for additional police and civilianisation (\$2.366 million), implementation of Royal Commission reforms (\$1.876 million), impact of Simple Offences and Criminal Procedures legislation (\$1.884 million) and other initiatives such as increased on-call allowances, community policing initiatives and aircraft maintenance (\$3.515 million). These increases were partially offset by Functional Review Implementation Team (FRIT) savings (\$1.838 million), transfers to Special Acts and procurements savings (\$1.420 million) and revised depreciation (\$1.089 million).

#### Service Expenditure

The variations are due to funding increases and increased focus locally and internationally on terrorism.

Emergency Management and Co-ordination	13,242	11,282	(1,960)
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### (b) Significant Variances Between Actual and Prior Year Actual

(i) TOTAL APPROPRIATION PROVIDED TO DELIVER SERVICES	2005 Actual \$'000	2004 Actual \$'000	Variation \$'000
---	--------------------------	--------------------------	---------------------

<b>Total appropriation provided to deliver services for the year</b>	619,769	571,543	48,226
--	---------	---------	--------

The \$48.226 million increase mainly related to funding increases for additional police officers, salary increases and increases for employee related expenses (\$26.696 million), on-going and new initiatives such as Simple Offences and Criminal Offences legislation, crime blitz, Gordon Inquiry, Royal Commission reforms, major aircraft maintenance, drink driving strategies and advertising campaigns (\$7.082 million) CPI increases and other cost pressures (\$10.671 million), Delta Communications and Technology and CADCOM projects (\$3.617 million) and depreciation and leave expense movements (\$2.821 million). These were offset by various savings including FRIT and Functional review (\$2.238 million), Police station closures (\$0.474 million).

#### Service Expenditure

The variations are due to funding increases and increased demand for the respective services.

Services to Maintain Lawful Behaviour and Prevent Crime	247,683	221,003	26,680
Emergency Management and Co-ordination	11,282	10,055	1,227
Response to and Investigation of Offences	227,116	199,384	27,732

### 39. EXPLANATORY STATEMENT (continued)

(ii) CAPITAL CONTRIBUTION	2005 Actual \$'000	2004 Actual \$'000	Variation \$'000
<b>Capital</b>	43,434	57,263	(13,829)
Capital Works Program expenditure is mutually exclusive from one year to the next. Each year's expenditure reflects the payment for works in progress and new projects in accordance with the approved Capital Works Plan.			
<b>(iii) ADMINISTRATION APPROPRIATION</b>			
<b>State Appropriation</b>	-	1,255	(1,255)
This reflects the completion of the Firearms Buyback Scheme.			

2005 \$'000	2004 \$'000
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### 40. SCHEDULE OF ADMINISTERED ITEMS

#### (a) Administered Expenses and Revenues

<b>Expenses</b>		
Handgun Buyback Payments	420	5,110
Transfer	774	678
Commission expenses	85	62
Other	140	145
<b>Total administered expenses</b>	<b>1,419</b>	<b>5,995</b>
<b>Revenues</b>		
Commonwealth Government grants—Handgun Buyback	621	3,999
State Appropriation	-	1,255
Licences, fines and other	730	473
Proceeds from disposal of non-current assets	68	268
<b>Total administered revenues</b>	<b>1,419</b>	<b>5,995</b>

#### (b) Administered Assets and Liabilities

<b>Current Assets</b>		
Restricted cash (Commonwealth)	-	445
Accrued income	170	-
<b>Total administered assets</b>	<b>170</b>	<b>445</b>
<b>Current Liabilities</b>		
Grants in advance (Commonwealth)	-	445
Payables	170	-
<b>Total administered liabilities</b>	<b>170</b>	<b>445</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

## 41. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO AIFRS

The impact of adopting AIFRS including the key differences in accounting policies is provided in the following two reconciliations:

### (a) Reconciliation of total equity as presented under previous Australian Generally Accepted Accounting Principles (AGAAP) to that under AIFRS

	30 June 2005 \$'000	1 July 2004 \$'000
<b>Total equity under previous AGAAP</b>	424,562	354,123
Net change of 1 July 2004	(13,793)	-
<i>Adjusted total equity for 30 June 2005</i>	410,769	354,123
Adjustments to accumulated surplus/(deficiency)		
Reduce accumulated depreciation for non-current assets available for sale (i)	33	-
Valuation reassessment for software developments (ii)	(1,155)	(11,269)
Reduce accumulated depreciation for reduction in intangibles capitalised (iii)	444	-
Reassessment of buildings for subsequent costs (iv)	-	529
Increase accumulated depreciation for subsequent costs capitalised (v)	(20)	(6)
Write-down of inventories for items held for distribution (vi)	(49)	(1,128)
Employee benefits and Other Provisions valuation reassessment (vii)	(602)	(1,919)
<b>Total equity under AIFRS</b>	<b>409,420</b>	<b>340,330</b>

- (i) AASB 5 requires non-current assets available for sale to be disclosed as a separate class of asset on the balance sheet. Assets classified as non-current assets available for sale are not depreciated and are measured at the lower of carrying amount (prior) to reclassification and fair value less selling costs. Reduction in the accumulated depreciation (Buildings and Vehicles) for depreciation expense reversed from the date of transfer to end of the reporting year.
- (ii) Reassessment of the valuation of software developments completed and in construction in accordance with AASB 138. For July, the total \$11.269 million, the majority of the costs written off related to research expenditure.
- (iii) De-recognition of depreciation for value of assets written off in (ii)
- (iv) AASB 116 requires subsequent costs of an asset to be capitalised. This value represents the reassessment of maintenance and upgrades which require capitalisation.
- (v) Recognition of depreciation for value of assets capitalised in (iv)
- (vi) In accordance with AASB 102, Inventories has been remeasured to ensure compliance with the measurement criterion of "Held for Distribution". As a result, the Inventory holdings for 1 July 2004 have been reduced by \$1.128 million. A further reduction of \$0.049 million is required for 2004-05.
- (vii) Employee Benefits and Other Provisions have been remeasured in line with AASB 119 Employee Benefits. The differences relate to the new measurement criteria.

#### 41. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO AIFRS (continued)

##### (b) Reconciliation of surplus/(deficit) for the period as presented under previous AGAAP to that under AIFRS

	30 June 2005 \$'000	
Surplus/(deficit) for the period under previous AGAAP		2,280
De-recognition of depreciation expense for assets available for sale	(i)	(33)
De-recognition of depreciation for intangibles valuation amendments	(ii)	(444)
Recognition of depreciation for subsequent costs capitalised	(iii)	20
Reassessment of inventory write-down	(iv)	49
Employee benefits expense valuation reassessment	(v)	602
<b>Surplus/(deficit) for the period under AIFRS</b>		<b>2,474</b>

(i) De-recognition of depreciation expense for assets classified as non-current assets available for sale at any time during 2004-05

(ii) De-recognition of depreciation expense for intangible assets written off

(iii) Recognition of depreciation expense for subsequent costs capitalised

(iv) Reassessment of inventory holdings for items held for distribution.

(v) Reassessment of employee benefits valuation in accordance with AASB 119 Employee Benefits

The figures disclosed are the best estimates at the date of these financial statements, and these figures could change due to potential amendments to AIFRS and interpretations thereof being issued by AASB and/or the UIG prior to the date of the first full set of AIFRS financial statements.

#### 42. TRUST ACCOUNTS

Other financial information includes receipts of monies, for which the Police Service only performs a custodial role. As the monies collected cannot be used for the achievement of the agency's objectives, they are not brought to account in the Statement of Financial Position.

These include:

- Found Money Trust
- Stolen Monies Trust
- Seized Monies Trust

##### (a) Found Money Trust

	2005 \$'000	2004 \$'000
OPENING BALANCE AT 1 JULY 2004	245	157
<b>RECEIPTS</b>		
Found Money	127	243
	372	400
<b>PAYMENTS</b>		
Refunds	123	121
Transfer	2	34
	125	155
<b>CLOSING BALANCE AT 30 JUNE 2005</b>	<b>247</b>	<b>245</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2005

2005  
\$'000

2004  
\$'000

## 42. TRUST ACCOUNTS (continued)

### Purpose

To hold moneys which have been found and surrendered to the WA Police Service, and for which the lawful owner has not been ascertained within seven days of receipt of the moneys. Trust funds are held pending the occurrence of one of the following events:

- (i) in the case of a person having established legal ownership of the money, be paid to that person;
- (ii) in the case of a finder of money having lodged a formal claim and indemnity, not before the expiration of one month from the date the money was surrendered, be paid to that person; or
- (iii) in the event of the funds remaining unclaimed, be dealt with in accordance with the application of the *Unclaimed Money Act 1990*.

### (b) Stolen Monies Trust

OPENING BALANCE AT 1 JULY 2004	177	201
<b>RECEIPTS</b>		
Stolen Money	128	29
	305	230
<b>PAYMENTS</b>		
Refunds	51	15
Transfer	31	38
	82	53
<b>CLOSING BALANCE AT 30 JUNE 2005</b>	<b>223</b>	<b>177</b>

### Purpose

To hold moneys seized by the Western Australia Police Service believed to be stolen monies pending prosecution.

Monies seized by police officers and believed to be stolen are held pending identification of the rightful owner. In the event that the funds remain unclaimed, they are dealt with in accordance with the application of the *Unclaimed Money Act 1990*.

### (c) Seized Monies Trust

OPENING BALANCE AT 1 JULY 2004	5,115	4,403
<b>RECEIPTS</b>		
Proceeds of Crime	2,420	1,740
Transfer		72
	7,535	6,215
<b>PAYMENTS</b>		
Refunds	660	764
Transfer to the Department of Justice	721	336
Transfer	11	-
	1,392	1,100
<b>CLOSING BALANCE AT 30 JUNE 2005</b>	<b>6,143</b>	<b>5,115</b>

### Purpose

To hold monies seized by officers of the WA Police Service in the exercise of relevant statutory powers.

**WA POLICE SERVICE**

**TRUST STATEMENT NO. 25**

**NAME** An account called "Seized Monies Trust" account shall be maintained as a Private Trust Account at Treasury.

**PURPOSE** To hold monies seized by officers of the WA Police Service in the exercise of relevant statutory powers.

**RECEIPTS** Such monies as are seized by officers of the WA Police Service believed to have been unlawfully obtained and interest earned on the monies in the account shall be paid into and placed to the credit of the account.

**PAYMENTS** The funds in the account together with interest accrued shall:

- (i) be refunded to the rightful owner pursuant to court order or otherwise; or
- (ii) be applied or otherwise dealt with as required by any other written law.

**ADMINISTRATION OF ACCOUNT** The account shall be administered by the Commissioner of Police in accordance with the Financial Administration and Audit Act, the Financial Administration Regulations and the Treasurer's Instructions.

**ACCOUNTING RECORDS** There shall be maintained by the Commissioner of Police a detailed record of transactions processed through the account, together with such other accounting records and procedures as are detailed in the Accounting Manual.

**FINANCIAL STATEMENT** The Commissioner of Police shall cause to be prepared a statement of cash receipts and payments and other supplementary information in accordance with the requirements of the Treasurer's Instructions.

**INVESTMENT OF MONEYS** Monies standing to the credit of the account may be invested in accordance with section 38 of the Financial Administration and Audit Act.

I have examined and agree to the provisions of this Trust Statement.

  
\_\_\_\_\_  
**COMMISSIONER OF POLICE**

**DATE APPROVED** 19-5-05

Approved  
  
\_\_\_\_\_  
**ASSISTANT DIRECTOR**  
**ACCOUNTING POLICY & LEGISLATION**

**DATE APPROVED** 26/05/05