

# INDEPENDENT AUDITOR'S REPORT

To the Members of The Police Department Employees' Credit Union Limited

We have audited the accompanying complete set of financial statements of The Police Department Employees' Credit Union Limited, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in members equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' Declaration for consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

## Directors' Responsibility for the Complete set of financial statements

The Directors of the Credit Union are responsible for the preparation and fair presentation of the complete set of financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the complete set of financial statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the Directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the complete set of financial statements, comprising the financial statements and notes, complies with International Financial Reporting Standards.

## Auditor's Responsibility

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

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

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

## Independence

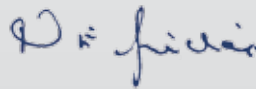
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* provided to the Directors of The Police Department Employees' Credit Union Limited, would be in the same terms if provided to the Directors at the time that this Auditor's Report was made.

## Auditor's Opinion

In our opinion:

- a. the complete set of financial statements of The Police Department Employees' Credit Union Limited is in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
  - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*: and
- b. the complete set of financial statements also complies with International Financial Reporting Standards as disclosed in Note 1.

BDO Audit (NSW-Vic) Pty Ltd



Neville Sinclair  
Director

Signed in Sydney this 24th day of September 2010