

Australian Institute of Police Management

Special Purpose Financial Statements for the year ended 30 June 2026

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Statement by the Executive Director

In my opinion:

1. The Australian Institute of Police Management (AIPM) is not a reporting entity and these special purpose financial statements and notes:

- are based on properly maintained financial records and prepared in accordance with the accounting policies outlined in the overview to the financial statements which are appropriate to meet the needs of users;
- present fairly the AIPM's financial position as at 30 June 2026 and its performance for the year ended on that date; and

2. At the date of this statement, there are reasonable grounds to believe that AIPM will be able to pay its debts as and when they become due and payable.



Neil T. Sweeney
AIPM A/Executive Director

14 September 2026

Statement of comprehensive income

For the year ended 30 June 2026

	Notes	2026 \$	2025 \$
Revenue			
Revenue from government		7,015,215	4,825,702
Course and events revenue		4,721,984	5,464,095
AP4 scholarship funding		1,300,976	993,317
Total revenue		13,038,175	11,283,114
Expenses			
Employee benefits	1.1	4,633,782	4,176,892
Suppliers	1.2	5,849,516	4,623,384
Grants paid		125,000	100,000
Depreciation and amortisation		108,905	98,821
Total expenses		10,717,203	8,999,097
Surplus attributable to AIPM		2,320,972	2,284,017
Other comprehensive income			
Revaluation of property, plant and equipment		29,854	-
Total comprehensive surplus attributable to AIPM		2,350,826	2,284,017

The above statement should be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June 2026

	Notes	2026 \$	2025 \$
Financial assets			
Cash and cash equivalents	2.1	14,075,365	13,012,068
Trade and other receivables	2.2	735,770	889,435
Total financial assets		14,811,135	13,901,503
Non-financial assets			
Land and buildings	3	3,891,666	2,470,407
Property, plant and equipment	3	63,413	201,755
Inventories		24,563	24,149
Total non-financial assets		3,979,642	2,696,311
Total assets		18,790,777	16,597,814
Liabilities			
Supplier payables		186,105	431,693
Unearned income		520,046	607,447
Salaries and wages		137,715	115,068
FBT payable		2,204	11,680
Superannuation payable		17,909	17,011
Other payables		342,752	50,338
Total payables		1,206,731	1,233,237
Provisions			
Employee provisions - leave		891,835	1,023,192
Total provisions		891,835	1,023,192
Total liabilities		2,098,566	2,256,429
Net assets		16,692,211	14,341,385
Equity			
Contributed equity		128,040	128,040
Revaluation reserves		171,938	142,084
Retained surplus		16,392,233	14,071,261
Total equity		16,692,211	14,341,385

The above statement should be read in conjunction with the accompanying notes.

Statement of changes in equity

As at 30 June 2026	Accumulated surplus	Revaluation reserves	Contributed equity	Total equity
	\$	\$	\$	\$
Opening balance 1 July 2025	14,071,261	142,084	128,040	14,341,385
Comprehensive income				
Revaluation of property, plant and equipment	-	29,854	-	29,854
Surplus for the period	2,320,972	-	-	2,320,972
Total comprehensive income	2,320,972	29,854	-	2,350,826
Closing balance attributable to the Australian Government, 30 June 2026	16,392,233	171,938	128,040	16,692,211

As at 30 June 2025	Accumulated surplus	Revaluation reserves	Contributed equity	Total equity
	\$	\$	\$	\$
Opening balance 1 July 2024	11,787,244	142,084	128,040	12,057,368
Comprehensive income				
Surplus for the period	2,284,017	-	-	2,284,017
Total comprehensive income	2,284,017	-	-	2,284,017
Closing balance attributable to the Australian Government, 30 June 2025	14,071,261	142,084	128,040	14,341,385

The above statement should be read in conjunction with the accompanying notes.

Cash flow statement

For the year ended 30 June 2026

	2026 \$	2025 \$
Operating activities		
Cash received		
Goods and services	6,089,224	5,035,320
Revenue from Government	7,015,215	4,825,702
Net GST received	719,495	398,515
Total cash received	13,823,934	10,259,537
Cash used		
Employees	4,751,070	4,201,261
Suppliers	6,522,597	4,119,586
Grant payments	125,000	100,000
Total cash used	11,398,667	8,420,847
Net cash from operating activities	2,425,267	1,838,690
Investing activities		
Cash used		
Purchase of property, plant and equipment	24,150	-
Purchase of buildings	1,337,820	2,089,211
Total cash used	1,361,970	2,089,211
Net cash (used by) investing activities	(1,361,970)	(2,089,211)
Net increase/(decrease) in cash held	1,063,297	(250,521)
Cash and cash equivalents at the beginning of the reporting period	13,012,068	13,262,589
Cash and cash equivalents at the end of the reporting period	14,075,365	13,012,068

The above statement should be read in conjunction with the accompanying notes.

Overview

Objectives of Australian Institute of Police Management

First established as a Commonwealth Police College in 1960, the AIPM is a national common police service resource providing leadership development to executive and senior managers in policing and public safety. The AIPM is administered by the Australian Federal Police and reports to a Board comprising all the police commissioners of Australia and New Zealand. AIPM staff are employed under the AFP Enterprise Agreement or individual agreement where applicable. Its ethos is guided by a not-for-profit approach, applying a commercial mindset to assure its financial viability and long-term sustainability.

The purpose of the AIPM is to develop tomorrow's leaders today. Its vision is to be a world leader in police and public safety leadership and management development. Its mission is to develop and deliver evidence-based, contemporaneous and future-focussed police and public safety leadership education. The AIPM partners with Australia and New Zealand police jurisdictions and other agencies to develop and deliver exceptional leadership programs and activities both domestically and internationally. This includes the 22 Pacific Islands Chiefs of Police participating nations, to develop and support their senior and emerging Pacific Police leaders.

The continued existence of AIPM in its present form depends on government policy, the support of the AIPM Board of Commissioners, and continuing support from the Australian Federal Police (AFP) for AIPM's administration and programs.

Basis of preparation of the financial statements

The AIPM's accounts form part of the Australian Federal Police (AFP) special account, services and other entities trust moneys account. These financial statements have been prepared as a special purpose financial report.

The financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

These financial statements are presented in Australian dollars and values are rounded to the nearest dollar.

Unless alternative treatment is specifically required by an accounting standard, assets and liabilities are recognised in the statement of financial position when it is probable that future economic benefits will flow to the entity or future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Significant accounting judgements and estimates

In the process of applying the accounting policies listed in this note, AIPM has made the following judgement that has the most significant impact on the amounts recorded in the financial statements:

- The liability for long service leave has been estimated using present value techniques. This takes into account expected salary growth through promotion, inflation, attrition and future discount rates.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

New and Revised Accounting Standards

Adoption of new Australian Accounting Standards requirements

No new or revised standards and interpretations that were issued prior to the sign-off date and are applicable to the current reporting period have a material effect on AIPM's financial statements.

No accounting standard has been adopted earlier than the application date as stated in the standard.

Overview (cont.)

Revenue

Revenue from courses and events is the AIPM's main income source. Income is recognised as revenue by the AIPM at the time the course or event has been provided by the AIPM.

Receivables for courses, events or other services, which have 30 day terms, are recognised at the nominal amounts due, less any impairment allowance. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Revenues from Government

The AFP is appropriated revenue to fund the core operating activities of the AIPM. This is recognised as revenue by the AIPM to the extent appropriated revenue was received into the AIPM's bank account or entitled to be received by year end.

Grants

AIPM administered a grant scheme. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make these grants and services but services have not been performed or criteria satisfied, this is considered a commitment.

Unearned income

Deposits and prepayments for courses yet to be delivered are recognised as a liability at the time of receipt. Revenues are recognised in relation to those items when the service is provided.

Financial instruments

The AIPM's financial instruments are measured on a cost basis. Interest-earning financial assets and liabilities are measured using the effective interest rate method. The carrying amount of all financial instruments in the statement of financial position approximates fair value. Financial instruments held by the AIPM carry minimal credit, liquidity and market risk.

Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote. The AIPM has no contingent liabilities or contingent assets at 30 June 2026 (2025: nil contingent liabilities or contingent assets).

Taxation

AIPM is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

Commitments

Assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard. Assets and liabilities that are unrecognised are reported as commitments. There are no material commitments payable at 30 June 2026 (2025: nil material commitments).

Events after the reporting period

No significant events have occurred since the reporting date requiring disclosure in the financial statements.

Note 1: Expenses

Note 1.1: Employee benefits

	2026 \$	2025 \$
Wages and salaries	3,654,853	3,125,939
Superannuation:		
Defined contribution plans	439,773	355,108
Defined benefit plans	94,053	153,237
Leave and other entitlements	445,765	502,976
Fringe benefit tax	(662)	39,632
Total employee benefits	4,633,782	4,176,892

Employee benefits

Superannuation

Staff of AIPM are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the Public Sector Superannuation accumulation plan (PSSap), or a nominated superannuation fund. The CSS and PSS are defined benefit schemes for the Australian Government. All other superannuation funds are accumulation funds.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance's schedules and notes.

AIPM makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the cost to the Government of the superannuation entitlements of the AIPM's employees. AIPM accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June 2026 represents outstanding contributions for the final fortnight of the year.

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of the reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Employee provisions which are expected to be settled beyond 12 months (commonly long service leave), are discounted to present value using market yields on the 10-year government bond rate.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting as the average sick leave taken in future years by employees of AIPM is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including AIPM's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the work of an actuary as at 30 June 2026. The estimate of the present liability takes into account expected salary growth through promotion, inflation and attrition. A full review by an actuary is conducted every 3 years.

Note 1.2: Suppliers

	2026	2025
	\$	\$
<i>Goods and services</i>		
Communication and IT	332,256	326,344
Consultants and contractors	400,939	1,161,270
General and office	554,954	464,139
Course expenses	1,213,192	742,996
Buildings and site maintenance	1,188,184	571,100
Travel	1,164,226	1,016,901
Other expenses	30,960	49,207
Total goods and services	4,884,711	4,331,957
<i>Other supplier expenses</i>		
Short-term and low-value leases	686,714	3,145
Workers' compensation expenses	278,091	288,282
Total other supplier expenses	964,805	291,427
Total supplier expenses	5,849,516	4,623,384

Note 2: Financial assets

Note 2.1: Cash and cash equivalents

	2026	2025
	\$	\$
Cash on hand	2,000	2,000
Cash at bank	5,423,365	4,360,068
Cash - held by the OPA ¹	8,650,000	8,650,000
Total cash and cash equivalents	14,075,365	13,012,068

¹ Special account funds held by the OPA are reported as cash.

Note 2.2: Trade and other receivables

	2026	2025
	\$	\$
Goods and services	527,667	810,090
Total goods and services receivable	527,667	810,090
Other receivables:		
GST receivable from the Australian Taxation Office	52,337	79,345
Other debtors	155,766	-
Total other receivables	208,103	79,345
Total trade and other receivables	735,770	889,435

AIPM assesses its receivables for impairment annually. At 30 June 2026 no indications of impairment were found.

Credit terms are net 30 days (2025: 30 days).

Note 3: Property, Plant, Equipment and Intangibles

Property, plant, equipment and intangibles reconciliation of opening and closing balance 30 June 2026

	Plant and equipment	Land and Buildings	Intangibles	Total
	\$	\$	\$	\$
As at 1 July 2025				
Gross book value	406,202	2,564,741	19,800	2,990,743
Accumulated depreciation & amortisation and impairment	(204,447)	(94,334)	(19,800)	(318,581)
Net book value 1 July 2025	201,755	2,470,407	-	2,672,162
Additions:				
By purchase	24,148	1,337,820	-	1,361,968
Transfers	(120,438)	120,438	-	-
Revaluations and impairments recognised in other comprehensive income	3,142	26,712	-	29,854
Depreciation & amortisation expense	(45,194)	(63,711)	-	(108,905)
Net book value 30 June 2026	63,413	3,891,666	-	3,955,079
Net book value as of 30 June 2026 represented by:				
Gross book value	63,413	3,891,666	19,800	3,974,879
Accumulated depreciation & amortisation and impairment	-	-	(19,800)	(19,800)
Net book value 30 June 2026	63,413	3,891,666	-	3,955,079

No indicators of impairment were found for intangibles.

AIPM's intangibles comprise externally acquired software for internal use.

Asset recognition threshold

Purchases of property, plant, equipment and intangibles are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition. Where assets less than \$2,000 form part of a group of similar items that are significant in total, they are recognised as assets. Externally purchased software which is greater than \$10,000 is recognised as an asset.

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations

Fair value for each class of assets are determined as shown below:

Asset class	Valuation technique
Property, plant and equipment	Depreciated replacement cost
Leasehold improvements	Depreciated replacement cost

Following initial recognition at cost, property, plant and equipment are carried at market value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

The AIPM has adopted a three-year valuation cycle. The AIPM tests the valuation model through an internal management review at least every 12 months to ensure there are no material differences. A formal valuation was undertaken by Acumetic as at 30 June 2026.

Property, plant, equipment and intangibles (cont.)

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the statement of comprehensive income. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation and amortisation

Depreciable property, plant and equipment assets and intangibles are depreciated or amortised to their estimated residual values over their estimated useful lives to the AIPM using the straight-line method.

Depreciation/amortisation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current or current and future reporting periods, as appropriate.

Depreciation and amortisation rates applying to each class of depreciable asset are based on the following useful lives:

Asset class	
Property, plant and equipment	3 to 13 years
Intangibles	3 to 5 years
Leasehold improvements	15 years or lease term

Impairment

All assets are assessed for impairment at 30 June 2026. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

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

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.