



1 November 2023

Katie Havelberg
National President
Association of Professional Engineers, Scientists and Managers, Australia

Sent via email: legal@professionalsaustralia.org.au

CC: robert.miano@rsm.com.au

Dear Katie Havelberg

**Association of Professional Engineers, Scientists and Managers, Australia
Financial Report for the year ended 30 June 2023 – FR2023/32**

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the Association of Professional Engineers, Scientists and Managers, Australia (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 26 October 2023.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

If you have any queries regarding this letter, please contact me on (03) 8650 0183 or via email at ken.morgan@fwc.gov.au.

Yours sincerely

KEN MORGAN
Assistant Director, Financial Analysis
Registered Organisations Services Branch



**THE ASSOCIATION OF PROFESSIONAL
ENGINEERS, SCIENTISTS & MANAGERS,
AUSTRALIA**

(Trading as Professionals Australia)
ABN 99 589 872 974

& CONTROLLED ENTITIES

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & CONTROLLED ENTITIES

Table of Contents

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER 1

EXPENDITURE REPORT 2

OPERATING REPORT 3

COMMITTEE OF MANAGEMENT STATEMENT 7

INDEPENDENT AUDITOR’S REPORT 8

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 10

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 11

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 12

CONSOLIDATED STATEMENT OF CASH FLOWS 13

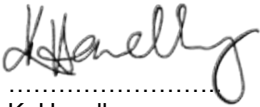
NOTES TO THE FINANCIAL STATEMENTS 14

NATIONAL BOARD ASSEMBLY STATEMENT 44

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
For the year ended 30 June 2023

I, Katie Havelberg being the National President of the Association of Professional Engineers, Scientists & Managers, Australia (referred to through this report as Group, Reporting unit and Association), trading as Professionals Australia, certify:

- (a) the documents lodged herewith are copies of the full report for the Association of Professional Engineers, Scientists & Managers, Australia, trading as Professionals Australia, for the period ended 30 June 2023, referred to in Section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
- (b) the full report was provided to members of the Association on 26 October 2023; and
- (c) the full report was presented to a general meeting of the committee of management (under APESMA Rule 33A.1.2) of the Association on 21 October 2023 in accordance with Section 266 of the *Fair Work (Registered Organisations) Act 2009*.



.....
K. Havelberg
National President

Dated: 26 October 2023, West Melbourne, Victoria

EXPENDITURE REPORT
For the year ended 30 June 2023

The National Board (APESMA's committee of management) presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Reporting unit for the year ended 30 June 2023.

Categories of expenditures	2023 (\$)	2022 (\$)
Remuneration and other employment-related costs and expenses – employees	9,311,638	9,102,728
Advertising	15,912	13,134
Operating costs	4,057,143	3,556,668
Donations to political parties	-	-
Legal costs	271,286	279,349


.....
K. Havelberg
National President

Dated: 28 September 2023, West Melbourne, Victoria

The Association of Professional Engineers, Scientists & Managers, Australia and Controlled Entities
30 June 2023

OPERATING REPORT
For the year ended 30 June 2023

The National Board presents the report of the Group (APESMA Group) consisting of the Association Professional Engineers, Scientists & Managers, Australia trading as Professionals Australia (PA) and the entities it controlled for the financial year ended 30 June 2023.

Principal Activities

APESMA represents the industrial and professional interests of a range of professional employees across Australia. Our members include engineers, scientists, pharmacists, managers, architects, IT professionals, translators and interpreters and collieries staff.

Our mission is to advance the interests of our members so they can achieve their professional goals and secure better workplace outcomes.

We advocate for and defend the rights of members and provide industrial information, advice representation and support on workplace issues, grievances and disputes. We also deliver solutions to support and facilitate the growth of our members through all stages of their careers. Our members benefit from a range of services we deliver, including accreditation, professional development, industry and pay information, insurance and discount products and services.

Professionals Australia has organising teams based in NSW, Queensland, Victoria, South Australia, Western Australia, Tasmania and the ACT, supported by functions at the national level including industrial relations strategy and workplace advice and support, membership support, professional development, engineering assessment, communications, finance and ICT.

There has been no significant change in the nature of activities provided to members during the year.

Financial Results of Operation

Group

The Group's net result for the year was a deficit of \$69,899 (2022 restated: deficit \$114,556).

Overall, the Group's revenue and other income increased by \$748,757, and expenditure increased by \$704,101. The Group has net assets of \$28.618 million; primarily cash, property, plant & equipment and financial assets.

An overview of each operation is set out below.

Chief Entity

The financial performance during the year, which again encompassed member and industrial services, was underpinned by an increase in revenue and other income of \$1.153 million from \$12.434 million (restated) to \$13.586 million. The increase in revenue was linked to fair value movements of financial assets held by the APESMA.

Total subscription revenues remained steady at \$11.799 million (2022: \$11.560 million). Income from other activities increased to \$1.788 million (2022 restated: \$873,353).

Overall expenditure increased to \$13.532 million (2022: \$12.294 million) during the year.

Professionals Australia has organising and industrial teams based in NSW, Queensland, Victoria, South Australia, Western Australia, Tasmania and the ACT, supported by functions in the federal office including workplace advice and support, membership services, professional development, accreditation, communications and marketing, research and surveys and finance.

OPERATING REPORT (CONT.)
For the year ended 30 June 2023

Workplace advice and support

The Workplace Advice and Support (WAS) team handled over 1,500 individual member requests for advice and assistance.

Contract reviews, performance and disciplinary investigations, redundancies, unfair dismissals and underpayments continued to be the most common types of advice and/or representation sought by members. The number of requests for assistance to deal with workplace bullying and harassment also doubled.

In this reporting period, there was a significant increase in the number of members seeking assistance about restructuring and redundancy related issues, as well as growth in bullying and harassment issues impacting members.

The WAS team reviewed large numbers of employment contracts and assisted in performance and disciplinary matters, unfair dismissals and underpayment matters.

In this reporting period, Professionals Australia was successful in obtaining over \$1,400,000 for members by way of enforcement action or settlements.

Enterprise Agreements

In the current financial year, Professionals Australia negotiated forty-five (45) Enterprise Bargaining Agreements (EBAs) under the Fair Work Act 2009. These agreements improved pay and conditions for employees in the water, energy, telecommunications, mining, IT, transport and health sectors.

Changes to the Professionals Employees Award

Professionals Australia led a strong submission and evidence in the Fair Work Commission which resulted in the Fair Work Commission making significant changes to the overtime and hours of work provisions for workers covered by the Professional Employees Award.

This Award (which covers professional engineers, professional scientists, IT workers, those working in the game workers sector, and quality assurance professionals) has tightened up the reporting of hours worked and made clearer the obligations on employers to pay for hours worked.

Advocacy and Campaigns

Professionals Australia's advocacy role involves engagement with all levels of government, industry and the community on major issues that impact professional employees and require multi-faceted solutions.

We ran major campaigns on Secure Jobs and Better Pay IR reforms, the First Nations Voice to Parliament, Climate Action, and Engineering a Better Future in NSW & South Australia.

We also made submissions to the Federal Government on the FY 24 Budget, the SA Inquiry into Access to UTI Treatment, the Victorian Pharmacists Administered Vaccination Program Expansion and Review and the Select Committee Inquiry into Health Services in South Australia.

Assessment for Engineering Registration

Professionals Australia is an approved assessment entity for engineering registration in both Queensland and Victoria and provides an assessment of engineering qualifications, skills and experience in line with the legislative and regulatory requirements for engineering registration in both these jurisdictions.

Professionals Australia successfully campaigned for an engineer registration scheme in ACT, which was legislated in December 2022, and we continue to campaign for harmonized engineering registration in other states including New South Wales, South Australia and Western Australia.

OPERATING REPORT (CONT.)
For the year ended 30 June 2023

Industry Surveys and Remuneration Reports

In the 2022-23 financial year, Professionals Australia undertook several industry-based surveys to inform our IR campaigns and membership services including:

- Veterinarian Employment Survey (August 2022)
- Engineering A Better NSW (December 2022)
- Professional Engineers Employment and Remuneration Survey (May 2023)
- IT Professionals Employment and Remuneration Survey (May 2023)

As a result of these surveys, the following reports were published:

- Veterinarian Employment Survey Report (November 2022)
- Engineering A Better NSW Survey Report (December 2022)
- Engineering a Better Future - Australia's Growing Crisis in Engineering Skills (March 2023)
- Professional Engineers Employment and Remuneration Report (July 2023)

Number of Members

As at 30 June 2023 the number of financial members was 18,879 (2022: 19,037).

Number of Employees

As at 30 June 2023 the number of employees was 86 (2022: 83).

Significant changes in the financial affairs

There have been no significant changes in the financial affairs of the Reporting unit in the 30 June 2023 financial year.

Rights of Members to Resign

Members have the right to resign from the Association by forwarding a written statement to membership@professionalsaustralia.org.au. Resignations are accepted on the date received or at a later date if nominated. Rule 9 in the Association's Rules provides details of the right of members to resign.

Trustee of Superannuation Entity

No officer or member of the Reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Events after the reporting date

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations, the results of those operations, or the state of affairs of the Reporting unit in subsequent financial periods.

OPERATING REPORT (CONT.)
For the year ended 30 June 2023

National Board Members

As at the date of this report, the members of the National Board were as follows:

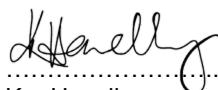
Name	Position	Period
Andrew Russack	National President	July 2022 to March 2023
Katie Havelberg	National Senior Vice President	July 2022 to March 2023
	National President	March 2023 to June 2023
Stuart Small	National Secretary	July 2022 to March 2023
	National Treasurer	March 2023 to June 2023
Andrew Wilkins	National Treasurer	July 2022 to March 2023
	National Senior Vice President	March 2023 to June 2023
Matthew Silletto	Vice President	July 2022 to Mar 2023
	National Secretary	March 2023 to June 2023
Bianca Piljic	Vice President	July 2022 to June 2023
Robert Miller	Vice President	July 2022 to June 2023
Jane Waldock	Vice President	March 2023 to June 2023

On 20 March 2023, we notified the Fair Work Commission about changes to our National Board which arose due to the resignation of Andrew Russack as National President on 5 March 2023.

As the term of office for National Board positions is two years commencing on 1 March in every even year and as the remainder of the term was less than one year, the casual vacancy rule (Rule 26.4) applied to the filling of the National President and the consequential vacancies that occurred.

The Finance & Audit sub-committee consists of Board members Stuart Small (Chair), Andrew Wilkins, Rob Miller and Jane Waldock.

This report is made in accordance with a resolution of the National Board.



K. Havelberg
National President



S. Small
National Treasurer

Dated: 28 September 2023, West Melbourne, Victoria

COMMITTEE OF MANAGEMENT STATEMENT


For the year ended 30 June 2023

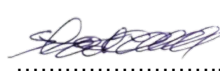
On 28 September 2023, the National Board (the Committee of Management of APESMA) presents the report of the Group (APESMA Group) consisting of the Association of Professional Engineers, Scientists & Managers, Australia trading as Professionals Australia and the entities, passed the following resolution in relation to the general-purpose financial report of the Association for the financial year ended 30 June 2023:

The National Board declares in relation to the general-purpose financial statements that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the "RO Act");
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the APESMA will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the general purpose financial statements relates and since the end of the financial year:
 - i) meetings of the committee of management were held in accordance with rules of the Association; and
 - ii) the financial affairs of the Reporting unit have been managed in accordance with the rules of the organisation; and
 - iii) the financial records of the Reporting unit have been kept and maintained in accordance with *the Fair Work (Registered Organisations) Act 2009*; and
 - iv) where the organisation consists of two or more Reporting units, the financial records of the Reporting unit have been kept, as far as practicable, in a consistent manner with each of the other Reporting units of the organisation; and no information has been sought in any request by a member of the APESMA or the Commissioner of the Registered Organisations Commission under section 272 of the *Fair Work (Registered Organisations) Act 2009*; and
 - v) where information has been sought in any request by a member of the Reporting unit or Commissioner duly made under Section 272 of the *Fair Work (Registered Organisations) Act 2009* has been provided to the member or Commissioner; and
 - vi) no orders for inspection of financial records have been made by the Registered Organisations Commission under Section 273 of the *Fair Work (Registered Organisations) Act 2009*.

This declaration is made in accordance with a resolution of APESMA's National Board (Committee of Management):


K. Havelberg
National President


S. Small
National Treasurer

Dated: 28 September 2023, West Melbourne, Victoria

RSM Australia Pty Ltd

Level 21, 55 Collins Street Melbourne VIC 3000

PO Box 248 Collins Street West VIC 8007

T +61(0) 3 9286 8000

F +61(0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT

To the Members of the Association of Professional Engineers, Scientists and Managers, Australia

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Association of Professional Engineers, Scientists and Managers, Australia (the Reporting Unit) and its controlled entities ("Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement and the expenditure report as required under subsection 255(2A) of the Fair Work (Registered Organisations) Act 2009.

In our opinion, the accompanying financial report of the group presents fairly, in all material aspects, the financial position of the group as at 30 June 2023, and its financial performance and its cash flows for the year ended on that date in accordance with:

- (i) The Australian Accounting Standards; and
- (ii) Any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the group is appropriate.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The committee of management are responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The committee of management of the Union are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.

We communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We declare that we are an auditor as registered under the RO Act.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to section 252 and 257(2) of the RO Act. In relation to these matters, we have nothing to report.

A handwritten signature in blue ink, appearing to read 'RSM'.

RSM AUSTRALIA PTY LTD

A handwritten signature in blue ink, appearing to read 'R B Miano'.

R B MIANO

Director

Dated: 28 September 2023
Melbourne, Victoria

Registration number (as registered under the RO Act): AA2017/58

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2023

	Note	Group		Chief Entity	
		2023	2022	2023	2022
		\$	(Restated)	\$	(Restated)
			\$		\$
Revenue from continuing operations					
Membership subscription	2	11,798,699	11,560,217	11,798,699	11,560,217
Other revenue	2	653,959	1,307,190	653,959	640,937
Capitation fees and other revenue from another reporting unit		-	-	-	-
Levies		-	-	-	-
Revenue from recovery of wages activity		-	-	-	-
Grants and/or donations	2(a)	15,500	-	15,500	-
Income recognised from volunteer services		-	-	-	-
Other income	2	1,117,922	(30,084)	1,118,216	232,416
Total Revenue		13,586,080	12,837,323	13,586,374	12,433,570
Expenses					
Employee costs	3(a)	(9,311,638)	(9,102,728)	(9,311,638)	(8,841,657)
Borrowing costs	3(b)	(74,405)	(115,474)	(74,407)	(115,474)
Professional network costs	3(c)	-	-	-	-
Members' service & support	3(d)	(3,004,642)	(2,492,756)	(2,904,478)	(2,152,553)
Other expenses	3(e)	(772,709)	(733,624)	(749,634)	(683,279)
Affiliation fees	3(f)	(216,300)	(223,948)	(216,300)	(223,948)
Grants and/or donations	3(g)	(5,000)	(4,000)	(5,000)	(4,000)
Legal costs	3(h)	(271,285)	(279,349)	(270,414)	(273,149)
Capitation fees and other expense to another reporting unit	3(i)	-	-	-	-
Total Expenses		(13,655,979)	(12,951,879)	(13,531,871)	(12,294,060)
Profit / (Loss) before Income Tax Expense		(69,899)	(114,556)	54,503	139,511
Income tax benefit/(expense)	4	-	-	-	-
Net Profit / (Loss) for the Year		(69,899)	(114,556)	54,503	139,511
Other Comprehensive Income		-	1,226,116	-	1,226,116
Total Comprehensive Income / (Loss) for the Year		(69,899)	1,111,560	54,503	1,365,627
Total comprehensive income / (loss) for the year attributable to					
non-controlling interest		(31,432)	(6,740)	-	-
members of the chief entity		(38,467)	1,691,218	54,503	1,365,627
Total Comprehensive Income / (Loss) for the Year		(69,899)	1,684,478	54,503	1,365,627

Refer to note 1 (z) for detailed information on Restatement of comparatives.

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

	Note	Group		Chief Entity	
		2023	2022 (Restated)	2023	2022 (Restated)
		\$	\$	\$	\$
ASSETS					
Current Assets					
Cash and cash equivalents	5	3,540,042	3,200,568	3,468,083	2,818,112
Trade and other receivables	6	366,677	881,945	365,926	881,945
Other current assets	7	540,943	193,084	540,943	193,084
Current tax assets		-	44,486	-	-
Financial assets	8	16,932,738	16,816,725	16,932,738	16,816,725
Total Current Assets		21,380,400	21,136,808	21,307,690	20,709,866
Non-Current Assets					
Financial assets	8	-	-	21	21
Property, plant and equipment	9	12,293,517	12,520,528	12,293,517	12,520,528
Right-of-use asset	10	141,719	294,280	141,719	294,280
Intangibles	11	39,307	4,778	39,307	4,778
Total Non-Current Assets		12,474,543	12,819,586	12,474,564	12,819,607
Total Assets		33,854,943	33,956,394	33,782,254	33,529,473
LIABILITIES					
Current Liabilities					
Trade payables	12	3,391,554	3,359,503	3,988,085	3,726,204
Other payables	13	27,633	-	27,633	-
Lease liabilities	10	103,083	124,029	103,083	124,029
Employee provisions	14	1,605,050	1,521,698	1,605,050	1,521,698
Total Current Liabilities		5,127,320	5,005,230	5,723,851	5,371,931
Non-Current Liabilities					
Employee provisions	14	63,435	67,704	63,435	67,704
Lease liabilities	10	46,290	195,663	46,290	195,663
Total Non-Current Liabilities		109,725	263,367	109,725	263,367
Total Liabilities		5,237,045	5,268,597	5,833,576	5,635,298
Net Assets		28,617,898	28,687,797	27,948,678	27,894,175
Members Funds & Reserves					
Attributable to members of the chief entity					
Organisation funds		8,962,222	9,791,185	8,263,592	8,999,585
Reserves		19,685,086	18,894,590	19,685,086	18,894,590
		28,647,308	28,685,775	27,948,678	27,894,175
Non-controlling interest		(29,410)	2,022	-	-
Total Members Funds & Reserves		28,617,898	28,687,797	27,948,678	27,894,175

Refer to note 1 (z) for detailed information on Restatement of comparatives.

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY **For the year ended 30 June 2023**

2022 Group Entity (Restated)	Note	Organisation Funds \$	Reserves \$	Total Attributable to Members of the Chief Entity \$	Non-Controlling Interest \$	Total Equity \$
Balance at 30 June 2021		9,492,657	18,074,818	27,567,475	96,262	27,663,737
Net surplus / (deficit) for the year		(107,816)	-	(107,816)	(6,740)	(114,556)
Other comprehensive income for the year						
Revaluation of buildings	15	-	1,226,116	1,226,116	-	1,226,116
Dividend paid		-	-	-	(87,500)	(87,500)
Transfer to Legal Defense Fund (CSD)	15	583,158	(583,158)	-	-	-
Transfer to CSD MAF	15	(176,814)	176,814	-	-	-
Transfer to Civil Aviation Safety Authority	15	-	-	-	-	-
Balance at 30 June 2022		9,791,185	18,894,590	28,685,775	2,022	28,687,797

Refer to note 1 (z) for detailed information on Restatement of comparatives.

2023 Group Entity		Organisation Funds \$	Reserves \$	Total Attributable to Members of the Chief Entity \$	Non-Controlling Interest \$	Total Equity \$
Balance at 30 June 2022		9,791,185	18,894,590	28,685,775	2,022	28,687,797
Net surplus / (deficit) for the year	15	(38,467)	-	(38,467)	(31,432)	(69,899)
Other comprehensive income for the year						
Dividend paid		-	-	-	-	-
Transfer to Legal Defense Fund (CSD)	15	(623,884)	623,884	-	-	-
Transfer to CSD MAF	15	(166,613)	166,613	-	-	-
Transfer to Civil Aviation Safety Authority	15	1	(1)	-	-	-
Balance at 30 June 2023		8,962,222	19,685,086	28,647,308	(29,410)	28,617,898

2022 Chief Entity (Restated)		Organisation Funds \$	Reserves \$	Total Attributable to Members of the Chief Entity \$	Non-Controlling Interest \$	Total Equity \$
Balance at 30 June 2021		8,453,730	18,074,818	26,528,548	-	26,528,548
Net surplus / (deficit) for the year		139,511	-	139,511	-	139,511
Other comprehensive income for the year						
Revaluation of buildings	15	-	1,226,116	1,226,116	-	1,226,116
Transfer to Legal Defense Fund (CSD)	15	583,158	(583,158)	-	-	-
Transfer to CSD MAF	15	(176,814)	176,814	-	-	-
Transfer to Civil Aviation Safety Authority	15	-	-	-	-	-
Balance at 30 June 2022		8,999,585	18,894,590	27,894,175	-	27,894,175

Refer to note 1 (z) for detailed information on Restatement of comparatives.

2023 Chief Entity		Organisation Funds \$	Reserves \$	Total Attributable to Members of the Chief Entity \$	Non-Controlling Interest \$	Total Equity \$
Balance at 30 June 2022		8,999,585	18,894,590	27,894,175	-	27,894,175
Net surplus / (deficit) for the year		54,503	-	54,503	-	54,503
Other comprehensive income for the year						
Transfer to Legal Defense Fund (CSD)	15	(623,884)	623,884	-	-	-
Transfer to CSD MAF	15	(166,613)	166,613	-	-	-
Transfer to Civil Aviation Safety Authority	15	1	(1)	-	-	-
Balance at 30 June 2023		8,263,592	19,685,086	27,948,678	-	27,948,678

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2023

Notes	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	12,571,814	14,023,592	12,528,373	13,110,234
Receipts from other reporting unit / controlled entity	-	-	-	-
Donations and grants received	15,500	-	15,500	-
Payments to suppliers	(3,818,794)	(4,499,956)	(3,481,904)	(4,143,459)
Payments to employees	(9,221,972)	(9,358,656)	(9,232,555)	(9,097,585)
Interest and bank charges	(74,405)	(89,622)	(74,407)	(89,622)
Interest income	170,177	108,451	170,177	108,451
Income tax (paid) / refunded	-	4,658	-	-
Receipts from licence fee	625,000	310,501	652,633	310,501
Payment to other reporting unit / controlled entity	-	-	-	-
Net cash provided by / (used in) operating activities	16 <u>267,320</u>	<u>498,968</u>	<u>577,817</u>	<u>198,520</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Rental income	28,959	28,959	28,959	28,959
Receipt / (Payment) of dividend	70,288	(87,500)	70,288	260,492
Purchase of fixed assets and intangible assets	(99,818)	(88,111)	(99,818)	(48,513)
Receipts from / (Purchase of) investments	326,456	229,135	326,456	229,135
Net cash provided by / (used in) investing activities	<u>325,885</u>	<u>82,483</u>	<u>325,885</u>	<u>470,073</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of lease liabilities	(253,731)	(282,592)	(253,731)	(282,592)
Net cash provided by / (used in) financing activities	<u>(253,731)</u>	<u>(282,592)</u>	<u>(253,731)</u>	<u>(282,592)</u>
Net increase / (decrease) in cash held	339,474	298,859	649,971	386,001
Cash and cash equivalents at beginning of the year	3,200,568	2,901,709	2,818,112	2,432,111
Cash and cash equivalents at end of the year	5 <u>3,540,042</u>	<u>3,200,568</u>	<u>3,468,083</u>	<u>2,818,112</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

1. Summary of significant accounting policies

a. Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009* (RO Act). For the purpose of preparing the general purpose financial statements, the Reporting unit is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis except for certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars.

b. Comparative amounts

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

c. Adoption of New Australian Accounting Standards requirements

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

d. Future Australian Accounting Standards

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on APESMA include:

- AASB 16 Leases (AASB 16) to amend Illustrative Example 13 to remove the illustration of the reimbursement of leasehold improvements by the lessor.
- Amendments to AASB 116 Property, Plant and Equipment require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in the profit or loss, instead of deducting the amounts received from the cost of the asset.
- Amendments to AASB 137 Provisions, Contingent Liabilities and Contingent Assets clarify which costs an entity can include when assessing whether a contract will be onerous.

The amendments are not expected to have a material impact on the Reporting unit.

e. Principles of consolidation

Engineers, Scientists and Managers, Australia (Federal Organisation and Branches) henceforth known as the Chief Entity (APESMA) and all of its controlled entities. A controlled entity is defined as an entity controlled by APESMA. Control exists where APESMA has the capacity to control decision-making in relation to the financial and operating policies of another entity so that the other entity operates with APESMA to achieve the objectives of APESMA.

All inter-entity balances and transactions between entities in the Group have been eliminated on consolidation.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the members of Chief Entity and the non-controlling interests based on their respective ownership interests.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

f. Revenue and other income

APESMA enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where APESMA has a contract with a customer, APESMA recognises revenue when or as it transfers control of goods or services to the customer. APESMA accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Member Services

The commission revenue and corporate program fees from member services, received by the subsidiary Member Advantage, are recognised over time, in line with the relevant performance obligation, being the provision of the service to members on a periodical basis (monthly or quarterly).

In line with AASB15, this revenue is recorded net of commission expenses as Member Advantage meets the definition of Agent. As such revenue received from commission on loyalty programs will be recognised as the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the services provided.

Membership Subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Reporting unit.

If there is only one distinct membership service promised in the arrangement, the Reporting unit recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Reporting unit's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Reporting unit allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Reporting unit charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the goods or as the service transfers to the customer (for example, member services or training course), the Reporting unit recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Reporting unit has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

f. Revenue and other income (Cont.)

When a member subsequently purchases additional goods or services from the Reporting unit at their standalone selling price, the Reporting unit accounts for those sales as a separate contract with a customer.

For member subscriptions paid annually in advance, the Reporting unit has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Reporting unit at their standalone selling price, the Reporting unit accounts for those sales as a separate contract with a customer.

Interest Income

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental income

Leases in which the Reporting unit as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

g. Taxation

The APESMA is exempt from income tax under Section 50.1 of the *Income Tax Assessment Act 1997*, however, still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

- Where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO); and
- For receivables and payables.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.

h. Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

i. Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

j. Land, buildings, plant and equipment

Asset recognition threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. 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.

Land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets does not differ materially from those that would be determined using fair values as at the reporting date.

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 reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss 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 is restated to the revalued amount.

Depreciation

The depreciable amounts of all fixed assets including buildings, are depreciated over their estimated economic lives on a straight line method commencing from the time the assets are ready for use. Rates of depreciation vary from 2.5% per annum for buildings to 33.3% for office equipment. Depreciation rates used for each class of depreciable assets are:

	2023	2022
Land & buildings	40 years	40 years
Furniture, fixtures and fittings	7.5 years	7.5 years
Office equipment	3 to 7.5 years	3 to 7.5 years
Computer equipment	3 years	3 years

Assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

k. Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Amortisation rates used for each class of intangible assets are:

	2023	2022
Computer software	3 years	3 years

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

l. Leases

The Reporting unit assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Reporting unit as a lessee

The Reporting unit applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Reporting unit recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the asset, as follows:

	2023	2022
Buildings	4 to 5 years	4 to 5 years
Plant and equipment	3 to 6 years	3 to 6 years

If ownership of the leased asset transfers to the Reporting unit at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are subject to impairment.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

i. Leases (Cont.)

Lease liabilities

At the commencement date of the lease, the Reporting unit recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Reporting unit and payments of penalties for terminating the lease, if the lease term reflects the Reporting unit exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Reporting unit uses the incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 6.3%.

The Reporting unit has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

m. Financial instruments

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- APESMA has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) APESMA has transferred substantially all the risks and rewards of the asset; or
 - (b) APESMA has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When APESMA has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, APESMA continues to recognise the transferred asset to the extent of its continuing involvement together with the associated liability.

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

l. Financial instruments (Cont.)

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include debt and equity investments which the Reporting unit holds for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

n. Impairment of assets

At the end of each reporting period, the economic entity assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information and dividends received from controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Value in use is calculated by discounting the estimated future cash flows of the asset or cash-generating unit (CGU) at a pre-tax discount rate reflecting the specific risks in the asset / CGU. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of profit or loss and other comprehensive income.

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

o. Employee benefits

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

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

p. Provisions

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

Provisions are measured at the present value of Management's best estimate of the outflow required to settle the obligation at the end of the reporting period.

q. Goods and Services Tax (GST)

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

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

r. New and amended standards adopted by the Reporting unit

The Reporting unit has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

s. Going concern

The financial statements are prepared on the basis that the Group and the Chief Entity will continue as a going concern and that assets including property plant and equipment and liabilities would be realised in the normal course of business at their recorded values as at 30 June 2023.

The Group and the Chief Entity's ability to continue as a going concern is not reliant on the financial support of any other entity.

t. Significant accounting estimates and judgements

When preparing the financial statements management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company. Actual results, however, may vary due to technical obsolescence, particularly relating to software and IT equipment.

Fair value of financial instruments

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Fair value measurement of land and buildings

This fair value is determined by the directors of the Company and is supported by independent valuations. At the end of each reporting period the directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. The best evidence of fair value is current prices in an active market for similar properties.

Provisions – Long service leave

As discussed in Note 1 (o), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

u. Current versus non-current classification

APESMA presents assets and liabilities in the statement of financial position based on current / non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

APESMA classified all other liabilities as non-current.

v. 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 existing liability or asset 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.

w. Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before APESMA transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when APESMA performs under the contract (i.e. transfers control of the related goods or services to the customer).

x. Acquisition of assets and or liabilities that do not constitute a business combination

The Reporting unit did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

y. Fair value measurement

APESMA measures financial instruments, such as financial assets at fair value through profit or loss, and non-financial assets such as land and buildings, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 22 Financial Risk Management.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by APESMA. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, APESMA determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, APESMA has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

External valuers are involved for valuation of significant assets, such as land and buildings. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets or liability and the level of the fair value hierarchy.

z. Restatement of comparatives

Change in accounting policy

On 13 November 2021 Member Advantage Holdings Pty Ltd and Advantage Rewards Pty Ltd entered into a sale of Business Agreement that will transfer all supplier groups and client groups to Advantage Rewards. Advantage Rewards agreed to pay an annual license fee to Professionals Australia of \$625,000 for ten years, adjusted by individual Union members on the platform as at 30 June of that year. The Reporting unit recorded a profit of \$5,468,704 and related receivable of \$5,104,123 from this sale in the financial year ended 30 June 2022.

In FY23, management further reviewed the sales agreement and concluded that the accounting policy adopted for the sale differs in substance from the legal form of the business sale. As a result, management have elected to recognise the licence fee as revenue on a monthly basis to the extent that the licence fee is recoverable.

The change in policy resulted in the other income and receivable being overstated for FY22. Extracts (being only those line items affected) are disclosed below.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

1. Summary of significant accounting policies (Cont.)

z. Restatement of comparatives (Cont.)

Consolidated statement of comprehensive income

	Consolidated			Chief Entity		
	2022 \$ Reported	\$ Adjustment	2022 \$ Restated	2022 \$ Reported	\$ Adjustment	2022 \$ Restated
Extract						
Revenue						
Other revenue	890,525	416,665	1,307,190	224,272	416,665	640,937
Other income	5,438,620	(5,468,704)	(30,084)	5,701,120	(5,468,704)	232,416
Profit / (Loss) before Income Tax Expense	4,937,483	(5,052,039)	(114,556)	5,191,550	(5,052,039)	139,511
Income tax benefit/(expense)	-	-	-	-	-	-
Net Profit / (Loss) for the Year	4,937,483	(5,052,039)	(114,556)	5,191,550	(5,052,039)	139,511
Other Comprehensive Income	1,226,116	-	1,226,116	1,226,116	-	1,226,116
Total Comprehensive Income / (Loss) for the Year	6,163,599	(5,052,039)	1,111,560	6,417,666	(5,052,039)	1,365,627
Profit for the year is attributable to:						
non-controlling interest	(6,740)	-	(6,740)	-	-	-
members of the chief entity	6,170,339	(4,479,121)	1,691,218	6,417,666	(5,052,039)	1,365,627

Consolidated statement of financial position at the beginning of the earliest comparative period

	Consolidated			Chief Entity		
	2022 \$ Reported	\$ Adjustment	2022 \$ Restated	2022 \$ Reported	\$ Adjustment	2022 \$ Restated
Extract						
Assets						
Non-Current Assets						
Trade and other receivables	1,454,861	(572,916)	881,945	1,454,861	(572,916)	881,945
Non-Current Assets						
Trade and other receivables	4,479,123	(4,479,123)	-	4,479,123	(4,479,123)	-
Total Assets	39,008,433	(5,052,039)	33,956,394	38,581,512	(5,052,039)	33,529,473
Total Liabilities	5,269,597	-	5,268,597	5,635,298	-	5,635,298
Net Assets	33,739,836	(5,052,039)	28,687,797	32,946,214	(5,052,039)	27,894,175
Members Funds & Reserves						
Organisation funds	14,843,224	(5,052,039)	9,791,185	14,051,624	(5,052,039)	8,999,585
Total Members Funds & Reserves	33,739,836	(5,052,039)	28,687,797	32,946,214	(5,052,039)	27,894,175

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
2. REVENUE				
Subscriptions	11,798,699	11,560,217	11,798,699	11,560,217
Member Services (Member Advantage Holdings Pty Ltd) - discontinued operation	-	861,566	-	-
License fees	625,000	416,665	625,000	611,978
Rental income	28,959	28,959	28,959	28,959
Total other revenue	653,959	1,307,190	653,959	640,937
Interest	170,177	108,451	170,177	108,451
Trust distributions	185,736	251,172	185,736	251,172
Increment / (Decrement) in market value of investment	512,757	(651,697)	512,757	(651,697)
Other income	249,252	261,990	249,546	524,490
Total other income	1,117,922	(30,084)	1,118,216	232,416
Total revenue	13,570,580	12,837,323	13,570,874	12,433,570

Disaggregation of revenue from contracts with customers

A disaggregation of the reporting units by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

Type of customer				
Members - over time	11,798,699	11,560,217	11,798,699	11,560,217
Other reporting units	-	-	-	-
Government	-	-	-	-
Other parties - over time	640,500	1,307,190	640,500	640,937
Total revenue from contracts with customers	12,439,199	12,867,407	12,439,199	12,201,154

Disaggregation of income for furthering activities

A disaggregation of the reporting units by income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

Members - over time	11,798,699	11,560,217	11,798,699	11,560,217
Other reporting units	-	-	-	-
Government	-	-	-	-
Other parties - over time	640,500	890,525	640,500	224,272
Total revenue from contracts with customers	12,439,199	12,450,742	12,439,199	11,784,489

(a) Grants and donations

Grants	-	-	-	-
Donations	15,500	-	15,500	-
Total grants and donations	15,500	-	15,500	-

3. EXPENSES

(a) Employee costs

Holders of office:				
Subtotal employee costs holders of office	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
3. EXPENSES (CONT.)				
Employees other than office holders:				
Salaries and allowances	7,266,823	7,049,067	7,266,823	6,831,085
Annual leave	600,040	634,527	600,040	631,379
Long service leave	56,622	(62,738)	56,622	(65,170)
Separation and redundancies	-	223,739	-	223,739
Superannuation	928,183	784,217	928,183	756,757
Other employee costs	459,970	473,916	459,970	463,867
Subtotal employee costs employees other than office holders	9,311,638	9,102,728	9,311,638	8,841,657
Total employee costs	9,311,638	9,102,728	9,311,638	8,841,657
(b) Borrowing costs	74,405	115,474	74,407	115,474
(c) Professional network costs	-	-	-	-
(d) Members' service and support	3,004,642	2,492,756	2,904,478	2,152,553
(e) Other expenses				
Fees / Allowances - meetings and conferences	-	-	-	-
Conference and meeting expenses	120,525	24,602	120,525	24,602
Audit and accounting fees	120,859	100,726	97,784	95,726
Depreciation and amortisation	528,273	583,635	528,273	562,951
Fair value loss - federal office building	-	-	-	-
Fair value loss - investment	-	-	-	-
Compulsory levies				
ACTU Election Levy	-	-	-	-
Total paid to employers for payroll deductions of membership subscriptions	-	-	-	-
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-	-	-
Other expenses	3,052	24,661	3,052	-
Total other expenses	772,709	733,624	749,634	683,279
(f) Affiliation fees				
Unions NSW	25,701	27,256	25,701	27,256
Unions ACT Trades and Labour Council of the ACT Inc.	5,016	5,168	5,016	5,168
ACTU	101,767	110,290	101,767	110,290
New Castle Trades Hall Council	1,077	1,025	1,077	1,025
SA Unions	8,359	8,432	8,359	8,432
Unions Tasmania	1,972	1,982	1,972	1,982
Victorian Trades Hall Council	40,847	39,480	40,847	39,480
Unions WA WA's Peak Union Body	5,892	5,990	5,892	5,990
Qld Council of Unions	23,561	23,023	23,561	23,023
Union Aid Abroad - APHEDA	1,790	1,302	1,790	1,302
SA May Day Collective	318	-	318	-
Total affiliation fees	216,300	223,948	216,300	223,948

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
3. EXPENSES (CONT.)				
(g) Grants and/or donations				
Grants:				
Total expensed that were \$1,000 or less	-	-	-	-
Total expensed that exceed \$1,000	-	-	-	-
Total grants	-	-	-	-
Donations:				
Total expensed that were \$1,000 or less	1,000	-	1,000	-
Total expensed that exceed \$1,000	4,000	4,000	4,000	4,000
Total donations	5,000	4,000	5,000	4,000
Total grants and/or donations	5,000	4,000	5,000	4,000
(h) Legal costs				
Litigation	128,897	-	128,897	-
Other legal costs	142,388	279,349	141,517	273,149
Total legal costs	271,285	279,349	270,414	273,149
(i) Capitation fees and other expense to another reporting unit				
Total capitation fees and other expense to another reporting unit	-	-	-	-
(j) Levies				
Compulsory or voluntary levies	-	-	-	-
Total levies	-	-	-	-
4. INCOME TAX EXPENSE				
Prima facie tax at 25% (2022: 25%) on profit / (loss)	(17,475)	1,564,965	-	-
Deferred income tax losses not brought to account	-	-	-	-
Exempt (income) / loss	17,475	(1,564,965)	-	-
Previously unrecognised tax losses to reduce current tax expense	-	-	-	-
Tax effect of over provision of income tax in prior year	-	-	-	-
Total income tax expense / (benefit)	-	-	-	-
5. CASH AND CASH EQUIVALENTS				
Cash at bank	3,537,742	3,197,768	3,465,783	2,815,312
Short-term deposits	-	-	-	-
Cash on hand	2,300	2,800	2,300	2,800
Cash management account	-	-	-	-
Total cash and cash equivalents	3,540,042	3,200,568	3,468,083	2,818,112
Please refer to Note 22 for details on restrictions on cash and cash equivalents.				
6. TRADE AND OTHER RECEIVABLES				
Current				
Sundry receivables	314,594	829,863	313,843	829,863
Amounts owed by related parties	52,083	52,082	52,083	52,082
Receivables from other reporting units	-	-	-	-
Allowance for expected credit losses	-	-	-	-
Total trade and other receivables	366,677	881,945	365,926	881,945

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

6. TRADE AND OTHER RECEIVABLES (CONT.)

Net fair values

The National Board consider that the carrying amount of all receivables approximate their net fair values.

Significant terms and conditions

Sundry receivables are normally required to be settled within 60 days.

Loans to controlled entities are unsecured and considered recoverable unless a provision has been raised against the amount receivables. They are interest free.

Credit risk

The Reporting unit does not have any significant exposure to any individual customer or counterparty. The major concentration of credit risk that arises from the Reporting unit's receivables is within the engineering industry in Australia.

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
7. OTHER ASSETS				
Prepayments	399,211	193,084	399,211	193,084
Other current assets	141,732	-	141,732	-
	540,943	193,084	540,943	193,084
8. FINANCIAL ASSETS				
Current				
Term deposits	7,602,236	7,630,250	7,602,236	7,630,250
Vanguard index funds-unit trust	4,593,608	4,044,627	4,593,608	4,044,627
Short term investments	4,736,894	5,141,848	4,736,894	5,141,848
	16,932,738	16,816,725	16,932,738	16,816,725
Non-Current				
Shares in controlled entities	-	-	21	21
	-	-	21	21
9. PROPERTY, PLANT AND EQUIPMENT				
Land and Buildings at Revalued Amount				
Land and buildings - at fair value	12,234,298	12,230,000	12,234,298	12,230,000
Accumulated depreciation	(208,317)	-	(208,317)	-
Total land and buildings	12,025,981	12,230,000	12,025,981	12,230,000
Office Equipment at Cost				
Office equipment - at cost	701,609	915,612	701,609	915,612
Accumulated depreciation	(434,073)	(625,084)	(434,073)	(625,084)
	267,536	290,528	267,536	290,528
Total Property, Plant and Equipment	12,293,517	12,520,528	12,293,517	12,520,528

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

9. PROPERTY, PLANT AND EQUIPMENT (CONT.)

Valuation of Land and Buildings

Land and buildings held by the Group were subject to assessment for fair value by the National Board at 30 June 2022 based on the independent valuations of these properties as outlined below. Independent valuations are obtained for all properties over a rolling five-year period.

Due to possible changes in market conditions and other circumstances the valuations below are regarded only as relevant as at 30 June 2022.

The property located at 152-160 Miller Street West Melbourne Victoria was independently valued as at 30 June 2022 by Mr. G Longden FAPI, certified practicing valuer of M3 Property.

The property located at Level 1, 491 Kent Street Sydney NSW was independently valued as at 30 June 2022 by Mr. A Duguid AAPI, certified practicing valuer of M3 Property.

The property located at Lot 1, 12-14 Thelma Street, West Perth was independently valued as at 20 May 2022 by Mr. A Dart AAPI, certified practicing valuer of CBRE.

The property located at 4/7 Napier Close, Deakin, Australian Capital Territory 2600 was independently valued as at 05 May 2022 by Mr. L Katrivessis AAPI, certified practicing valuer of Opteon.

Movements in carrying amounts

Movement in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

Group Entity	Land and Buildings \$	Office equipment \$	Total \$
Balance at 30 June 2021	10,985,021	332,324	11,317,345
Additions	18,863	29,650	48,513
Revaluation	1,226,116	-	1,226,116
Reversal of accumulated depreciation on revaluation	232,731	-	232,731
Depreciation expense	(232,731)	(71,446)	(304,177)
Balance at 30 June 2022	12,230,000	290,528	12,520,528
Balance at 30 June 2022	12,230,000	290,528	12,520,528
Additions	14,668	45,380	60,048
Disposals / Adjustments	-	(3,053)	(3,053)
Depreciation expense	(218,687)	(65,319)	(284,006)
Balance at 30 June 2023	12,025,981	267,536	12,293,517

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

9. PROPERTY, PLANT AND EQUIPMENT (CONT.)

Chief Entity	Land and Buildings \$	Office equipment \$	Total \$
Balance at 30 June 2021	10,985,021	332,324	11,317,345
Additions	18,863	29,650	48,513
Revaluation	1,226,116	-	1,226,116
Reversal of accumulated depreciation on revaluation	232,731	-	232,731
Depreciation expense	(232,731)	(71,446)	(304,177)
Balance at 30 June 2022	12,230,000	290,528	12,520,528
Balance at 30 June 2022	12,230,000	290,528	12,520,528
Additions	14,668	45,380	60,048
Disposals / Adjustments	-	(3,053)	(3,053)
Depreciation expense	(218,687)	(65,319)	(284,006)
Balance at 30 June 2023	12,025,981	267,536	12,293,517

10. LEASES

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Right of use assets	1,188,927	1,105,514	1,188,927	1,105,514
Accumulated depreciation	(1,047,208)	(811,234)	(1,047,208)	(811,234)
	141,719	294,280	141,719	294,280

Set out below are the carrying amounts of right-of-use assets recognised per assets and the movements during the period:

Group Entity	Land and Buildings \$	Vehicles \$	Total \$
Balance at 30 June 2021	144,764	288,438	433,202
Additions	84,358	32,594	116,952
Depreciation expense	(106,469)	(149,405)	(255,874)
Balance at 30 June 2022	122,653	171,627	294,280
Balance at 30 June 2022	122,653	171,627	294,280
Additions	-	83,412	83,412
Depreciation expense	(106,048)	(129,925)	(235,973)
Balance at 30 June 2023	16,605	125,114	141,719

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

10. LEASES (CONT.)

Chief Entity	Land and Buildings \$	Vehicles \$	Total \$
Balance at 30 June 2021	144,764	288,438	433,202
Additions	84,358	32,594	116,952
Depreciation expense	(106,469)	(149,405)	(255,874)
Balance at 30 June 2022	122,653	171,627	294,280
Balance at 30 June 2022	122,653	171,627	294,280
Additions	-	80,741	80,741
Depreciation expense	(106,048)	(129,925)	(235,973)
Balance at 30 June 2023	16,605	122,443	139,048

The table below describes the nature of the Reporting Unit's leasing activities by type of right-of-use asset recognised on balance sheet:

Right of Use Asset (ROA)	No of ROA	Range of Remaining Term	Average Remaining Lease Term	No of Leases with Extensions	No of Leases with Option to Purchase	No of Leases with Variable Payments	No of Leases with Termination Options
Office building	2	0.5	-	-	-	-	-
Motor vehicles	16	1-3 years	2 years	-	-	-	-

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Balance 1 July	319,692	459,479	319,692	459,479
Additions	83,412	116,952	83,412	116,952
Accretion of interest	16,301	25,892	16,301	25,892
Payments	(270,032)	(282,631)	(270,032)	(282,631)
Balance 30 June	149,373	319,692	149,373	319,692
Current	103,083	124,029	103,083	124,029
Non-current	46,290	195,663	46,290	195,663
The following are the amounts recognised in profit or loss:				
Depreciation expense of right-of-use assets	235,973	255,874	235,973	255,874
Interest expense on lease liabilities	16,301	25,892	16,301	25,892
Total amount recognised in profit or loss	252,274	281,766	252,274	281,766

No variable lease payments are recognised by the Reporting Unit.

Reporting Unit as a lessor

Amounts included in the income statement are as follows:

Lease income	28,959	28,959	28,959	28,959
Balance 30 June 2023	28,959	28,959	28,959	28,959

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

10. LEASES (CONT.)

Operating lease commitments — as lessor

The Reporting unit has a month-by-month operating lease for several of the car spaces in their Canberra property.

The Reporting unit also has a 12 month sub-lease to part of their WA office space. Both are recognised as rental income.

Maturity analysis of undiscounted lease payments for operating leases (as a lessor) as at 30 June are:

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Within one year	49,014	28,959	49,014	28,959
After one year but not more than five years	-	-	-	-
More than five years	-	-	-	-
	<u>49,014</u>	<u>28,959</u>	<u>49,014</u>	<u>28,959</u>

11. INTANGIBLES

Computer software at cost:

Balance 1 July	4,778	55,036	4,778	26,941
Additions / WIP	42,323	39,598	42,323	-
Disposals / Adjustments	-	(47,009)	-	-
Amortisation for the year	(7,794)	(42,847)	(7,794)	(22,163)
Total intangible assets	<u>39,307</u>	<u>4,778</u>	<u>39,307</u>	<u>4,778</u>

12. TRADE PAYABLES

Current

Trade and sundry creditors	1,301,591	1,384,285	1,282,326	1,357,010
Prepaid subscriptions and fees	2,055,761	1,719,196	2,055,761	1,719,196
Amounts owed to controlled entities	-	-	649,998	649,998
Amounts owed to related parties	34,202	256,022	-	-
Payable to other reporting units	-	-	-	-
	<u>3,391,554</u>	<u>3,359,503</u>	<u>3,988,085</u>	<u>3,726,204</u>

Trade and sundry creditors are generally settled within 30 days. The National Board considers the carrying amounts of these items approximate their net fair values.

Prepaid subscriptions and fees represent amounts received in respect to the 2023/24 period.

13. OTHER PAYABLES

Current

Legal costs				
Litigation	21,057	-	21,057	-
Other legal costs	6,576	-	6,576	-
Payable to employers for making payroll deductions of membership subscriptions	-	-	-	-
	<u>27,633</u>	<u>-</u>	<u>27,633</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
14. EMPLOYEE PROVISIONS				
Current				
Office Holders				
Annual leave	-	-	-	-
Long service leave	-	-	-	-
Separation and redundancies	-	-	-	-
Other employee benefits	-	-	-	-
Employees Other than Office Holders				
Annual leave	923,868	766,376	923,868	766,376
Long service leave	681,182	755,322	681,182	755,322
Separation and redundancies	-	-	-	-
Other employee benefits	-	-	-	-
Total employee entitlements	1,605,050	1,521,698	1,605,050	1,521,698
Non-Current				
Office Holders				
Long service leave	-	-	-	-
Employees Other than Office Holders				
Long service leave	63,435	67,704	63,435	67,704
	63,435	67,704	63,435	67,704

Net Fair Values

The National Board considers that all the carrying amounts of provisions for employee entitlements approximate their net fair values (annual leave) and present value (long service leave). Provisions are payable when leave legally falls due.

15. RESERVES

Property Revaluation Reserve

Balance at 1 July	5,727,641	4,501,525	5,727,641	4,501,525
Revaluation during year	-	1,226,116	-	1,226,116
Balance at 30 June	5,727,641	5,727,641	5,727,641	5,727,641

The Property Revaluation reserve captures the increase / decrease in the value of property assets of the Association following revaluation.

Innovation Reserve

Balance as at 1 July	239,633	239,633	239,633	239,633
Transfer to member funds	-	-	-	-
Balance at 30 June	239,633	239,633	239,633	239,633

The Innovation reserve contains the refunds received from the reinstatement of Chifley Business School debtor following the sale of the Chifley Business School Pty Ltd to Laureate International Universities. This reserve is to be used specifically to grow Association membership across both collective and non-collective bases via investment in new technologies and staff resources.

Total Other Reserves	5,967,274	5,967,274	5,967,274	5,967,274
-----------------------------	------------------	------------------	------------------	------------------

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
15. RESERVES (CONT.)				
(a) Equity - Other Specific Disclosure Funds				
Compulsory levy / voluntary contribution fund				
APESMA Legal Defence Funds				
Balance as at start and end of year	528,464	528,464	528,464	528,464
The APESMA Legal Defence Fund was created out of the surplus funds from the Building APESMA's Future initiative undertaken in financial year 2007/2008.				
Civil Aviation Safety Authority				
Balance as at start of year	52,263	52,263	52,263	52,263
Transfer (to)/from member funds	(1)	-	(1)	-
Balance as at end of year	52,262	52,263	52,262	52,263
The CASA reserve was established as a legal defence fund to be used specifically for the professional staff of CASA, who remain members of Professionals Australia.				
CSD Legal Defence Fund				
Balance as at start of year	11,898,545	12,481,703	11,898,545	12,481,703
Transfer from member funds	623,884	(583,158)	623,884	(583,158)
Balance as at end of year	12,522,429	11,898,545	12,522,429	11,898,545
The CSD Legal Defence Fund was established from net assets brought in from the amalgamation with the Australian Collieries' Staff Association, with funds to only be applied towards specific purposes (predominantly the provision of legal representation and associated costs for members of the Collieries Staff Division) - refer to note 22.				
CSD Members Assistance Fund				
Balance as at start of year	448,044	271,230	448,044	271,230
Transfer from member funds	166,613	176,814	166,613	176,814
Balance as at end of year	614,657	448,044	614,657	448,044
The CSD Members Assistance Fund was established for the purpose of supporting eligible members of the Collieries Staff Division Fund experiencing loss of income - refer to note 22.				
Total compulsory levy / voluntary contribution fund	13,717,812	12,927,316	13,717,812	12,927,316
Total Reserves	19,685,086	18,894,590	19,685,086	18,894,590

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
16. CASH FLOW INFORMATION				
Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow:				
Cash and cash equivalents as per				
Statement of cash flow	3,540,042	3,200,568	3,468,083	2,818,112
Statement of financial position	<u>3,540,042</u>	<u>3,200,568</u>	<u>3,468,083</u>	<u>2,818,112</u>
Difference	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation of operating (loss) / profit after income tax to net cash from operating activities:				
Operating (loss) / profit after income tax	(69,899)	6,163,599	54,503	6,417,666
Non-cash and investing items				
Depreciation and amortisation	528,273	583,635	528,273	562,951
Rental income	(28,959)	(28,959)	(28,959)	(28,959)
Revaluation of building	-	(1,226,116)	-	(1,226,116)
Reversal of depreciation on revaluation	-	(166,458)	-	(232,731)
Dividend received	-	-	-	(262,500)
Increment / (Decrement) in value of investment	(512,757)	400,524	(512,757)	400,524
Interest on lease liabilities	-	25,852	-	25,852
Changes in assets and liabilities:				
(Increase) / Decrease in sundry debtors	515,268	(5,244,999)	516,019	(5,411,230)
(Increase) / Decrease in prepayments	(206,127)	127,873	(206,127)	125,676
Increase / (Decrease) in employee entitlements	89,666	(255,948)	89,666	(255,928)
Increase / (Decrease) in creditors and other payables	(92,631)	115,307	109,566	83,315
Provision for income tax	44,486	4,658	-	-
Net cash flow from / (used in) operating activities	<u>267,320</u>	<u>498,968</u>	<u>550,184</u>	<u>198,520</u>
The Group has bank overdraft (\$0.5 million) facilities and business card (\$0.25 million) facilities which were not utilised as at 30 June 2023. These facilities are subject to annual review.				
Cash flow information				
Cash flow movements with other reporting units:				
Cash inflows				
Media Entertainment and Arts Alliance	10,800	10,800	10,800	10,800
LGEA of NSW	<u>612,769</u>	<u>585,238</u>	<u>612,769</u>	<u>585,238</u>
	<u>623,569</u>	<u>596,038</u>	<u>623,569</u>	<u>596,038</u>
Cash outflows				
LGEA of NSW	559,483	531,170	559,483	531,170
ACTU	101,767	138,991	101,767	138,991
Newcastle Trades Hall Council	1,077	1,285	1,077	1,285
QLD Council of Unions	23,561	25,560	23,561	25,560
UNI Global Union	2,645	-	2,645	-
Union Aid Abroad - APHEDA	1,790	1,302	1,790	1,302
Unions ACT	-	5,016	-	5,016
Unions NSW	23,056	39,068	23,056	39,068
Unions TAS	1,972	2,309	1,972	2,309
Unions WA	5,892	5,990	5,892	5,990
Victorian Trades Hall Council	51,704	39,480	51,704	39,480
Australian Services Union (VIC)	-	4,898	-	4,898
United Services Union	-	2,117	-	2,117
SA Unions	8,359	8,432	8,359	8,432
SA May Day Collective	318	318	318	318
Australian Services Union (TAS)	-	5,174	-	5,174
	<u>781,624</u>	<u>811,110</u>	<u>781,624</u>	<u>811,110</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
17. COMMITMENTS				
Future finance lease payments are payable as follows:				
Within one year	109,698	131,988	109,698	131,988
After one year but not more than five years	49,260	208,219	49,260	208,219
More than five years	-	-	-	-
Gross lease payments	158,958	340,206	158,958	340,206
Less future finance charges				
Lease liabilities	158,958	340,206	158,958	340,206
Current	103,083	124,029	103,083	124,029
Non-Current	46,290	195,663	49,260	195,663
Lease liabilities	149,373	319,692	152,343	319,692

Future operating lease payments are payable as follows:

Within one year (short term and low value leases excluded from AASB16)	-	-	-	-
After one year but not more than five years	-	-	-	-
More than five years	-	-	-	-
Total future operating commitments	-	-	-	-

18. CONTROLLED ENTITIES

	Chief Entity Investment		Equity Holding		Contributions to Group Profit or (Loss)	
	2023	2022	2023	2022	2023	2022
	\$	\$	%	%	\$	\$
Chief Entity						
Association of Professional Engineers, Scientists & Managers, Australia	-	-	-	-	54,503	139,511
Controlled Entities						
APESMA Lawyers Pty Ltd	10	10	100	100	-	-
APESMA Insurance Services Pty Ltd	10	10	100	100	-	-
Member Advantage Holdings Pty Ltd	0.75	0.75	75	75	(92,970)	(26,959)
	20.75	20.75				

19. KEY MANAGEMENT PERSONNEL COMPENSATION

No members of the National Board received remuneration for services rendered.

Names and positions held of key management personnel in office at any time during the financial year are:

Key Management Person	Position
Jill McCabe	CEO
Evan Romer	CFO (termination 31 August 2022)
Mal Lewis	Director Finance & Operations (commencement 19 July 2022)
Emma Kemmery	Director Comms/Marketing
Scott Crawford	Director VIC
Gordon Brock	Director NSW
Sean Kelly	Director QLD
Paul Ingliss	Director SA & NT
Luke Crowley	Director TAS
Catherine Bolger	Director CSD
Tamara Rowlands	Director WA

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
19. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT.)				
Key management personnel remuneration included within employee expenses for both years is shown below:				
Short-term employee benefits				
Salary (including annual leave taken)	1,511,760	1,436,791	1,511,760	1,360,291
Annual leave accrued	87,484	56,318	87,484	40,823
Performance bonus	-	33,514	-	-
	1,599,244	1,526,623	1,599,244	1,401,114
Post-employment benefits				
Superannuation	158,408	154,000	158,408	142,999
	158,408	154,000	158,408	142,999
Other long term benefits				
Long service leave	(26,408)	44,802	(26,408)	31,826
	(26,408)	44,802	(26,408)	31,826
Termination benefits				
	155,356	-	155,356	-
	1,886,600	1,725,425	1,866,600	1,575,939

There were no other transactions with key management personnel.

20. RELATED PARTIES

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

Revenue received from controlled entities includes the following:

Member Advantage Holdings Pty Ltd				
License fee	-	195,313	-	195,313
Service fee	-	-	5,209	-
Profit distribution	-	262,500	-	262,500
	-	457,813	5,209	457,813

Loans to/(from) controlled entities includes the following:

APESMA Insurance Services Pty Ltd	-	-	(649,998)	(650,008)
Member Advantage Holdings Pty Ltd	-	-	(881)	(356)
	-	-	(650,879)	(650,364)

Transactions with key management personnel have been disclosed in Note 19.

Other amounts owed by related parties have been disclosed in Note 6. Other amounts owed to related parties have been disclosed in Note 12.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

	Group		Chief Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
21. AUDITOR'S REMUNERATION				
Value of the services provided				
RSM Australia				
Financial statement and other audit services	65,000	-	61,000	-
Other services	10,000	-	9,000	-
	75,000	-	70,000	-
Grant Thornton				
Financial statement and other audit services	-	63,350	-	50,000
Other services	-	5,000	-	5,000
	-	68,350	-	55,000
Daley Audit				
Financial statement and other audit services	10,700	10,560	10,700	10,560
Other services	20,810	19,160	20,810	19,160
	31,510	29,720	31,510	29,720
Total Remuneration of Auditor	106,510	98,070	101,510	84,720

22. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, investment portfolio, accounts receivable and payable and loans to entities.

a) Credit Risk

The Group does not obtain collateral or other security when dealing with related entities.

The carrying amounts of financial assets included in the statement of financial position represent the Group's maximum exposure to credit risk in relation to these assets. Where entities have a right of set-off and intend to settle on a net basis, this set-off has been reflected in the financial statements in accordance with accounting standards.

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past Due nor Impaired 2023	Past Due or Impaired 2023	Not Past Due nor Impaired 2022	Past Due or Impaired 2022
	\$	\$	\$	\$
Group Entity				
Receivables	366,677	-	881,945	-
Chief Entity				
Receivables	365,926	-	881,945	-

Ageing of financial assets that were not impaired

	< 30 days	31 - 60 days	61 - 90 days	> 90 days	Total
	\$	\$	\$	\$	\$
2023					
Group Entity					
Receivables	366,677	-	-	-	366,677
Chief Entity					
Receivables	365,926	-	-	-	365,926
2022					
Group Entity					
Receivables	294,595	52,083	52,083	483,184	881,945
Chief Entity					
Receivables	52,083	52,083	52,083	725,696	881,945

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

22. FINANCIAL RISK MANAGEMENT (CONT.)

b) Net Fair Values

The net fair values of the Group's financial assets and financial liabilities are not expected to be significantly different from each class of asset and liability as disclosed above and recognised in the statement of financial position as at 30 June 2023.

c) Market Risk

The Group is not exposed to material market risk; therefore no sensitivity analysis has been disclosed showing how the profit or loss would have been affected by changes in the relevant risk variable.

d) Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained within the group and by the parent entity.

Net Fair Values of Financial Assets and Liabilities

The net fair values of:

- Term receivables, government and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present values
- The lease liability is determined by discounting the cash flows, at the incremental borrowing rate, to their present value
- Other assets and liabilities approximate their carrying value

Net Fair Values of Financial Assets and Liabilities

Group Entity

2023	Carrying Amount \$	Fair Value \$
Financial assets		
Cash and cash equivalents	3,540,042	3,540,042
Receivables	366,677	366,677
Investments	16,932,738	16,932,738
Financial liabilities		
Payables	3,391,554	3,391,554
Lease liability	149,373	149,373
2022	Carrying Amount \$	Fair Value \$
Financial assets		
Cash and cash equivalents	3,197,768	3,197,768
Receivables	881,945	881,945
Investments	16,816,725	16,816,725
Financial liabilities		
Payables	1,384,285	1,384,285
Lease liability	319,692	319,692

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

22. FINANCIAL RISK MANAGEMENT (CONT.)

Net Fair Values of Financial Assets and Liabilities

Chief Entity

2023	Carrying Amount \$	Fair Value \$
Financial assets		
Cash and cash equivalents	3,468,083	3,468,083
Receivables	365,926	365,926
Investments	16,932,738	16,932,738
Financial liabilities		
Payables	4,015,718	4,015,718
Lease liability	149,373	149,373
2022	Carrying Amount \$	Fair Value \$
Financial assets		
Cash and cash equivalents	2,815,312	2,815,312
Receivables	881,945	881,945
Investments	16,816,725	16,816,725
Financial liabilities		
Payables	1,357,010	1,357,010
Lease liability	319,692	319,692

e) Organisation Funds

The Group bank balances are subject to a group limit facility arrangement providing full set-off of debt and interest based on the net balance of group bank accounts excluding the following balances of the Collieries Staff Division (CSD) Legal Defence Fund and the CSD Members Assistance Fund (refer to Note 15(a)), which cannot be encumbered or used for set-off without authority of the management committee of the Collieries Staff Division:

- Cash at bank balances of \$860,953 (2022: \$500,814); and
- Financial assets of \$12,195,845 (2022: \$11,674,878)

Similarly, the assets and liabilities of these Funds are restricted from use by the group, for any other purposes as has been expressed in the Rules of APESMA as lodged with Fair Work Commission and summarised at Note 15(a). All expenditures made must be with the express authority of the independent management committee of the CSD. Net balances of these funds are also reported at Note 15(a).

f) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturities			Non Interest Bearing \$	Total \$
			1 year or less \$	1 to 5 years \$	> 5 years \$		
Group Entity 30 June 2023							
Assets							
Cash and cash equivalents	1.00	3,540,042	-	-	-	-	3,540,042
Financial assets	3.50	-	-	-	-	9,330,502	9,330,502
Receivables	5.00	-	366,677	-	-	-	366,677
		3,540,042	366,677	-	-	9,330,502	13,237,221
Liabilities							
Trade and sundry payables	-	-	-	-	-	860,427	860,427
Lease liability	-	-	-	-	-	149,373	149,373
Bank bills and overdraft	-	-	-	-	-	-	-
		-	-	-	-	1,009,800	1,009,800
Net financial assets / (liabilities)		3,540,042	366,677	-	-	8,320,702	12,227,421

The total amount of financial liabilities disclosed above excludes statutory payables (i.e. GST payable)

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

22. FINANCIAL RISK MANAGEMENT (CONT.)

f) Interest Rate Risk (cont.)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturities			Non Interest Bearing \$	Total \$
			1 year or less \$	1 to 5 years \$	> 5 years \$		
Group Entity 30 June 2022							
Assets							
Cash and cash equivalents	0.15	3,197,768	-	-	-	-	3,197,768
Financial assets	2.50	-	7,630,250	-	-	9,186,475	16,816,725
Receivables	5.00	-	881,945	-	-	-	881,945
		3,197,768	8,512,195	-	-	9,186,475	20,896,438
Liabilities							
Trade and sundry payables	-	-	-	-	-	1,384,285	1,384,285
Lease liability	-	-	-	-	-	319,692	319,692
Bank bills and overdraft	-	-	-	-	-	-	-
		-	-	-	-	1,703,977	1,703,977
Net financial assets / (liabilities)		3,197,768	8,512,195	-	-	7,482,498	19,192,461

The total amount of financial liabilities disclosed above excludes statutory payables (i.e. GST payable)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturities			Non Interest Bearing \$	Total \$
			1 year or less \$	1 to 5 years \$	> 5 years \$		
Chief Entity 30 June 2023							
Assets							
Cash and cash equivalents	1.00	3,468,083	-	-	-	-	3,468,083
Financial assets	3.50	-	-	-	-	9,330,502	9,330,502
Receivables	5.00	-	365,926	-	-	-	365,926
		3,468,083	365,926	-	-	9,330,502	13,164,511
Liabilities							
Trade and sundry payables	-	-	-	-	-	866,118	866,118
Lease liability	-	-	-	-	-	149,373	149,373
Bank bills and overdraft	-	-	-	-	-	-	-
		-	-	-	-	1,015,491	1,015,491
Net financial assets / (liabilities)		3,468,083	365,926	-	-	8,315,011	12,149,020

The total amount of financial liabilities disclosed above excludes statutory payables (i.e. GST payable)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate Maturities			Non Interest Bearing \$	Total \$
			1 year or less \$	1 to 5 years \$	> 5 years \$		
Chief Entity 30 June 2022							
Assets							
Cash and cash equivalents	0.15	2,815,312	-	-	-	-	2,815,312
Financial assets	2.50	-	7,630,250	-	-	9,186,475	16,816,725
Receivables	5.00	-	881,945	-	-	-	881,945
		2,815,312	8,512,195	-	-	9,186,475	20,513,982
Liabilities							
Trade and sundry payables	-	-	-	-	-	1,357,010	1,357,010
Lease liability	-	-	-	-	-	319,692	319,692
Bank bills and overdraft	-	-	-	-	-	-	-
		-	-	-	-	1,676,702	1,676,702
Net financial assets / (liabilities)		2,815,312	8,512,195	-	-	7,509,773	18,837,280

The total amount of financial liabilities disclosed above excludes statutory payables (i.e. GST payable)

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

For the year ended 30 June 2023

23. SEGMENT REPORTING

The Group operates predominantly in the one business and geographical segment, being in the private and public sector providing services to its members in respect of legal, employment and general industrial matters.

24. FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS

Analysis of financial and non-financial assets that are measured at fair value by fair value hierarchy:

Group and Chief Entity

2023

	Carrying Amount at 30 June 2023	Date of Valuation	Level 1	Level 2	Level 3
	\$		\$	\$	\$
Financial Assets					
Vanguard Index Fund - Unit Trust	4,593,608	30/06/2023	4,593,608	-	-
Short-term investment	4,736,894	30/06/2023	4,736,894	-	-
Property					
Land and buildings	12,025,981	30/06/2022	-	12,025,981	-

2022

	Carrying Amount at 30 June 2022	Date of Valuation	Level 1	Level 2	Level 3
	\$		\$	\$	\$
Financial Assets					
Vanguard Index Fund - Unit Trust	4,044,627	30/06/2022	4,044,627	-	-
Short-term investment	5,141,848	30/06/2022	5,141,848	-	-
Property					
Land and buildings	12,230,000	30/06/2022	-	12,230,000	-

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. The basis of the valuation of land and buildings is fair value. The land and buildings were revalued on 31 December 2020 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The Committee of Management does not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)
For the year ended 30 June 2023

25. CONTINGENT ASSETS AND LIABILITIES

The National board are not aware of any other contingent assets or liabilities as at 30 June 2023.

26. EVENTS AFTER BALANCE DATE

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

27. BUSINESS COMBINATIONS

No assets or liabilities were acquired during the year as part of a business combination.

The Group and the Chief Entity did not acquire any assets or liabilities during the financial year as a result of:

- (a) an amalgamation under Part 2 of Chapter 3, of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- (b) a restructure of the branches of the organisation; or
- (c) a determination by the Commissioner under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- (d) a revocation by the Commissioner under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245(1).

28. SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

The Reporting Unit operates predominantly in the one business and geographical segment, being in the private and public sector providing services to its members in respect of legal, employment and general industrial matters.

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272 of the *Fair Work (Registered Organisations) Act 2009*, which reads as follows:

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

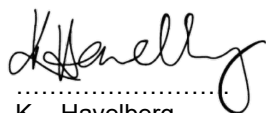
NATIONAL BOARD ASSEMBLY STATEMENT For the year ended 30 June 2023

On 21 October 2023, the National Assembly of the Association of Professional Engineers, Scientists & Managers, Australia, trading as Professionals Australia, passed the following resolution in relation to the general purpose financial report of the Association for the financial year ended 30 June 2023:

The National Assembly declares in relation to the financial report that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the "RO Act");
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the APESMA will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the general purpose financial statements relates and since the end of the financial year:
 - i) meetings of the National Board were held in accordance with rules of the Association; and
 - ii) the financial affairs of the Reporting unit have been managed in accordance with the rules of the organisation; and
 - iii) the financial records of the Reporting unit have been kept and maintained in accordance with *the Fair Work (Registered Organisations) Act 2009*; and
 - iv) where the organisation consists of two or more Reporting units, the financial records of the Reporting unit have been kept, as far as practicable, in a consistent manner with each of the other Reporting units of the organisation; and
 - v) where information has been sought in any request by a member of the Reporting unit or Commissioner duly made under Section 272 of the *Fair Work (Registered Organisations) Act 2009* has been provided to the member or Commissioner; and
 - vi) where any orders for inspection of financial records have been made by the Fair Work Commission under Section 273 of the *Fair Work (Registered Organisations) Act 2009*; there has been compliance.

This declaration is made in accordance with the resolution of the National Board:



K. Havelberg
National President



S. Small
National Treasurer

Dated: 22 October 2023, West Melbourne, Victoria