



AUSTRALIAN INDUSTRIAL REGISTRY

Level 36, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 19945, Melbourne, VIC 3001
Telephone: (03) 9653 8474
Fax: (03) 9654 6672

Ref: 215V: FED: F319299

Mr G Sutherland
National Secretary
The Association of Professional Engineers,
Scientists and Managers, Australia
PO Box 1272L
MELBOURNE VIC 3001

Dear Mr Sutherland,

Attention: Roger Lee, Director Finance

**Re: The Association of Professional Engineers, Scientists and Managers, Australia
Financial Documents for 6 months ended 30 June 2000 (F319299)**

Summary of Auditor's report, accounts and statements (R31026/00)

Receipt is acknowledged of the financial documents (and summary) lodged under s280(1) of the Workplace Relations Act 1996 (the Act) for the abovementioned organisation for the period of 6 months ended 30 June 2000, lodged in the Industrial Registry on 25 October 2000.

The documents have been filed.

The following information is noted for future financial returns. No further action is required for the lodged documents.

Presentation of the financial documents to a meeting of members (s279(6))

The accounts, statements and auditor's report are all dated 13 October 2000 and were presented to a meeting of members on 14 October 2000. Please note that subsection 279(6) requires that there be at least 7 clear days between the completion of the documents and their presentation to a meeting to enable the members to adequately view the information. Future financial returns should take this into account.

If you have any queries please contact me on (03) 8661 7799.

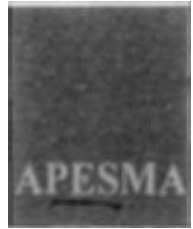
Yours faithfully,

Andrew Schultz
Statutory Services Branch

13 November 2000

17 October, 2000

The Industrial Registrar
Australian Industrial Registry
80 Collins Street
Melbourne
Victoria 3000



The Association of Professional
Engineers, Scientists &
Managers, Australia

GPO Box 1272L
Melbourne Vic 3001
Phone: (03) 9695 8800
Facsimile: (03) 9696 9312
163 Eastern Road
Sth Melbourne 3205
info@apesma.asn.au
http://www.apesma.asn.au

~~XXXXXXXXXXXX~~

F 319 299

R31026/00 (Summary)

Dear Sir

Lodgement of Annual Accounts

I am enclosing the Annual Accounts of the Association for the six months ended 30 June 2000. As previously advised, the Association has prepared two sets of Annual Accounts. One set is prepared on a summary basis which has been published on a printed media namely the April publication of Professional Update. The other set which is a full set of Annual Accounts is available on request from the members but however it is available on an electronic format on the Association website.

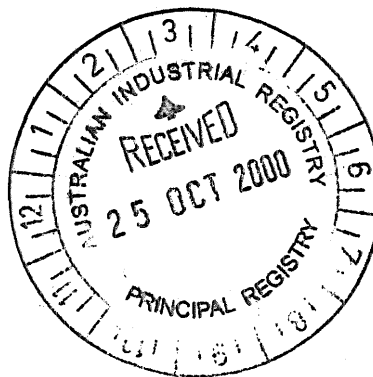
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I am enclosing the full set as well as audited summary version of the Annual Accounts and the Secretary Declaration.

Should you require further details, please do not hesitate to contact me.

Yours Faithfully

ROGER LEE
DIRECTOR FINANCE



13 October, 2000

The Industrial Registrar
Australian Industrial Registry
80 Collins Street
Melbourne
Victoria 3000



*The Association of Professional
Engineers, Scientists &
Managers, Australia*

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Dear Sir,

**National Secretary's Declaration in Pursuant to Section 280 (1) of the Workplace
Relations Act 1996**

I, Mr Greg Sutherland, Professional Engineer, being the National Secretary of the Association of Professional Engineers, Scientists & Managers, Australia, hereby certify:

1. That the attachments contains a true copy of the Auditor's Report, the Statement of Income & Expenditure and the Balance Sheet of the Organisation and its Branches for the six months ended 30 June 2000. Approval has been given under Section 271 of the Act for the Organisation to present a consolidated Annual Accounts. The following branches are:

- **Federal Organisation**
- **New South Wales**
- **Victorian**
- **South Australian**
- **Western Australian**
- **Australian Capital Territory**
- **Queensland**
- **Tasmanian**
- **Northern Territory**
- **Local Government Engineers Association (NSW Branch)**
- **Senior Managers Association (Postal and Telecommunications Commission)**
- **Australian Broadcasting Commission Senior Executives Association**
- **Association of Architects, Australia**
- **Salaried Pharmacists Association**
- **Association of Rail Professional Officers Australia**

2. That the Annual Account was presented in a meeting of the members duly convened in according with Section 279 (6) of the Workplace Relations Act 1996.

3. That the date of the meeting was 14th October 2000..



G SUTHERLAND
NATIONAL SECRETARY



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

SUMMARISED FINANCIAL STATEMENTS

30 JUNE 2000

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Balance Sheet
as at 30 June 2000**

	Economic Entity		Chief Entity	
	2000 \$	1999 \$	2000 \$	1999 \$
Current Assets	3,388,649	1,981,797	2,836,695	1,062,570
Non Current Assets	8,187,946	8,075,747	7,445,702	7,336,310
Total Assets	11,576,595	10,057,544	10,282,397	8,398,880
Current Liabilities	8,674,113	7,271,133	6,343,186	4,992,771
Non Current Liabilities	345,304	303,643	385,304	353,037
Total Liabilities	9,019,417	7,574,776	6,728,490	5,345,808
Net Assets	2,557,178	2,482,768	3,553,907	3,053,072
Funds & Reserves				
General Funds	472,135	397,725	1,468,864	968,029
Reserves	2,085,043	2,085,043	2,085,043	2,085,043
Total Funds & Reserves	2,557,178	2,482,768	3,553,907	3,053,072

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Income and Expenditure Statement
For the Six Months Ended 30 June 2000**

	Economic Entity		Chief Entity	
	2000 \$	1999 \$	2000 \$	1999 \$
Member Subscriptions	3,558,103	6,638,800	3,558,103	6,638,800
Other Income	5,475,429	9,355,186	1,260,332	1,955,788
Total Income	9,033,532	15,993,986	4,818,435	8,594,588
Less Expenditure	(8,959,122)	(15,948,942)	(4,317,600)	(8,989,152)
Operating surplus/(deficit) before abnormal items	74,410	45,044	500,835	(394,564)
Abnormal Items	-	-	-	-
Operating surplus/(deficit)	74,410	45,044	500,835	(394,564)
General funds at the beginning of the financial period	397,725	352,681	968,029	1,362,593
General funds at the end of the financial period	472,135	397,725	1,468,864	968,029

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

**Statement of Cashflows
For the Six Months Ended 30 June 2000**

	Economic Entity		Chief Entity	
	2000 \$	1999 \$	2000 \$	1999 \$
Cash receipts in the ordinary course of operations	9,999,341	15,201,654	5,372,876	7,975,754
Cash payments in the ordinary course of operations	(7,060,604)	(14,739,171)	(3,524,917)	(8,065,752)
Net Cash Provided by Operating Activities	2,938,737	462,483	1,847,959	(89,998)
Net Cash (Used In) Investing Activities	69,495	(484,151)	223,447	6,591
Net Increase/(Decrease) in Cash	3,008,232	(21,668)	2,071,406	(83,407)
Cash at the Beginning of the Period	(719,466)	(697,798)	81,330	164,737
Cash at the End of the Period	2,288,766	(719,466)	2,152,736	81,330

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

Notes to the Summarised Financial Statements For the Six Months Ended 30 June 2000

1. BASIS OF PREPARATION

The accounting policies adopted by the Association are detailed in its Financial Report. These policies have been consistently applied between the periods under review.

2. INFORMATION TO BE PROVIDED TO MEMBERS

The Financial Report of the Association has been audited in accordance with the provisions of the Workplace Relations Act 1996, as amended and the Auditor's Report, Accounts and Statements approved by the National Board, a resolution being passed as required by Section 279(2) of the Act. The following summary is provided for members in accordance with section 279(2) of that Act.

A copy of the Auditor's Report, Accounts and Statements will be supplied free of charge to members who request the same.

Certificates required to be given under the Act by the Principal Accounting Officer and the National Board have been completed in accordance with the provisions of the Act and contain no qualifications.

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 274 which reads as follows:-

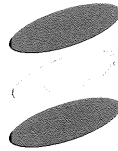
- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation;
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed;
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

3. MOVEMENT IN RESERVES

During the 1999 year, the property of the Association was revalued by the National Board by \$1,015,857 based on market valuations obtained from independent valuers.

4. COMPARATIVE INFORMATION

The Association changed its balance date this period from 31 December to 30 June. Comparative information is for the 12 months ended 31 December 1999.



STANNARDS
Accountants and Advisors

Member of Australian
Accounting Group

Marino Angelini, CA
David Stannard, CA
Michael Shulman, CA
Philip Shulman, CPA
Nello Traficante, CPA

**Independent Auditors' Report
To The Members of The Association of Professional
Engineers, Scientists and Managers, Australia**

SCOPE

We have audited the summarised financial statements of the Association for the six months ended 30 June, 2000 as set out on pages 1 to 4 in order to express an opinion on it to the members of the Association. The Association's Committee of Management are responsible for the summarised financial statements.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the summarised financial statements are free of material misstatement. We have also performed an independent audit of the full financial report of the Association for the financial period ended 30 June, 2000. Our audit report on the full financial report was signed on 13 October, 2000 and was not subject to any qualification.

Our procedures in respect of the audit of the summarised financial statements included testing that the information included in them are consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts and other disclosures which were derived from the full financial report. These procedures have been undertaken to form an opinion as to whether the summarised financial information complies with the Workplace Relations Act 1996 ("the Act") in that, in all material respects, it is presented fairly in accordance with that Act.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the summarised financial statements of the Association comply with the Act in all material respects.

M B Shulman
Chartered Accountant – Registered Company Auditor

M Angelini
Chartered Accountant – Registered Company Auditor

Dated: 13 October 2000

Melbourne, Victoria



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

**FINANCIAL STATEMENTS AND REPORTS
FOR THE PERIOD ENDED 30 JUNE 2000**

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Consolidated Profit & Loss Statements
For the Period Ended 30 June 2000**

	Note	Economic Entity		Chief Entity	
		2000	1999	2000	1999
		\$	\$	\$	\$
Operating Profit/(Loss) and Abnormal Items Before Income Tax	3	74,410	45,044	500,835	(394,564)
Income Tax Attributable to Operating Profit/(Loss) and Abnormal Items		-	-	-	-
Operating Profit/(Loss) and Abnormal Items after Income Tax		74,410	45,044	500,835	(394,564)
Organisation Funds at the Beginning of the Period		397,725	352,681	968,029	1,362,593
Organisation Funds at the End of the Period		472,135	397,725	1,468,864	968,029

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Consolidated Balance Sheets
as at 30 June 2000**

	Note	Economic Entity		Chief Entity	
		2000	1999	2000	1999
		\$	\$	\$	\$
Current Assets					
Cash	5	2,288,766	83,446	2,152,736	81,330
Receivables	6	1,038,929	1,746,108	625,455	921,266
Other	7	60,954	152,243	58,504	59,974
Total Current Assets		3,388,649	1,981,797	2,836,695	1,062,570
Non Current Assets					
Receivables	6	-	-	-	-
Investments	8	152,307	150,990	1,317	26
Property, Equipment & Vehicles	9	7,723,214	7,556,363	7,444,385	7,336,284
Intangibles	10	312,425	368,394	-	-
Total Non Current Assets		8,187,946	8,075,747	7,445,702	7,336,310
Total Assets		11,576,595	10,057,544	10,282,397	8,398,880
Current Liabilities					
Creditors & Borrowings	11	7,915,407	6,554,792	5,584,480	4,276,430
Provisions	12	758,706	716,341	758,706	716,341
Total Current Liabilities		8,674,113	7,271,133	6,343,186	4,992,771
Non Current Liabilities					
Creditors & Borrowings	11	345,304	303,643	385,304	353,037
Total Non Current Liabilities		345,304	303,643	385,304	353,037
Total Liabilities		9,019,417	7,574,776	6,728,490	5,345,808
Net Assets		2,557,178	2,482,768	3,553,907	3,053,072
Funds & Reserves					
Organisation Funds		472,135	397,725	1,468,864	968,029
Reserves	13	2,085,043	2,085,043	2,085,043	2,085,043
Total Funds & Reserves		2,557,178	2,482,768	3,553,907	3,053,072
Contingent Liability and Commitments	14				

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

**Consolidated Statements of Cashflow
For the Period Ended 30 June 2000**

	Note	Economic Entity		Chief Entity	
		2000	1999	2000	1999
		\$	\$	\$	\$
Cash from Operating Activities					
Cash receipts in the ordinary course of operations		9,999,341	15,201,654	5,372,876	7,975,754
Cash payments in the ordinary course of operations		(7,060,604)	(14,739,171)	(3,524,917)	(8,065,752)
Net Cash Provided by Operating Activities	18(ii)	2,938,737	462,483	1,847,959	(89,998)
Cash from Investing Activities					
Lease Repayments		(44,427)	(46,163)	(44,427)	(46,163)
Proceeds – Bank Bills		600,000	900,000	600,000	900,000
Interest and Bank Charges		(199,005)	(331,232)	(158,003)	(259,046)
Interest Income		765	4,833	765	4,833
(Payments)/Receipts (To)/From Controlled Entities		-	-	(9,394)	(53,308)
Payments for Fixed Assets		(307,125)	(568,774)	(184,807)	(566,543)
Proceeds – Sale of Fixed Assets		20,604	69,397	20,604	26,820
Development Costs		-	(362,211)	-	-
Payment for Investments		(1,317)	(150,001)	(1,291)	(2)
Net Cash (Used In) Investing Activities		69,495	(484,151)	223,447	6,591
Net Increase/(Decrease) in Cash		3,008,232	(21,668)	2,071,406	(83,407)
Cash at the Beginning of the Period		(719,466)	(697,798)	81,330	164,737
Cash at the End of the Period	18(i)	2,288,766	(719,466)	2,152,736	81,330

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000**

1. ACCOUNTING METHODS & POLICIES

Basis of Preparation

The accounts have been prepared in accordance with applicable Accounting Standards and Urgent Issues Group Consensus Views. The accounts have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted in the preparation of the accounts.

a) Accrual Accounting

The accounts have been prepared under the accrual basis of accounting which means that revenues and expenses are recognised as they are respectively earned and incurred (and not as money is received or paid) and are brought to account in the financial period to which they relate.

b) Principles of Consolidation

The economic entity's accounts comprise the accounts of the Association of Professional Engineers, Scientists & 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 economic entity have been eliminated on consolidation.

c) Property, Equipment and Vehicles

Fixed assets are included at cost or at valuation. The depreciable amounts of all fixed assets including buildings, are depreciated over their estimated economic lives on a straight line and/or reducing balance 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 computer equipment.

d) Receivables, Accounts Payable, Provisions & Borrowings

Trade accounts receivable are generally settled within 60 days and are carried in the accounts at amounts due. A provision is raised for any doubtful debts based on a review of all outstanding amounts at balance date. Bad debts are written off in the period in which they are identified.

Trade accounts payable, including accruals not yet billed, are recognised when the economic entity becomes obliged to make future payments as a result of a purchase of assets or services. Trade accounts payable are generally settled within 30 days. Loans and debentures are recognised when issued at the amount of the net proceeds received and carried at amortised cost until the liabilities are settled. Interest on the instruments is recognised as an expense on an effective yield basis.

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)**

1. ACCOUNTING METHODS & POLICIES (CONT'D)

e) Employee Benefits

The provision for employee benefits in the form of wages, salaries and annual leave represents the amounts the economic entity has a present obligation to pay resulting from employees' services to balance date. This provision has been calculated at nominal amounts based on current wage and salary rates and includes related on-costs.

The provision for long service leave represents the present value of estimated future cash outflows (including related on-costs) to be made by the economic entity in respect of employees' services to balance date. Where such payments will not be settled in the next twelve months, they have been discounted using relevant national government security rates.

f) Income Tax

No provision for income tax is necessary for the chief entity as "trade unions" are exempt from income tax under the Income Tax Assessment Act.

The other controlled entities of the economic entity adopt tax-effect accounting procedures, whereby the income tax expense in the profit and loss account is based on the accounting profit, after allowing for permanent differences. Future tax benefits relating to tax losses are not carried forward as an asset unless the benefit can be regarded as being virtually certain of realisation. Income tax on net cumulative timing differences is set aside to the future income tax benefit account at the rates which are expected to apply when those timing differences reverse.

g) Goodwill

The excess of the value of the purchase consideration plus incidental expenses over the fair value of identifiable net assets acquired (i.e. goodwill) is amortised on a straight line basis over twenty years, being the period during which the benefits are expected to arise.

h) Net Fair Values of Financial Assets and Liabilities

Net fair values of financial instruments are determined on the following bases:-

- Monetary financial assets and liabilities not traded in an organised financial market – cost basis which is the carrying amounts of trade and sundry debtors, sundry creditors and prepaid subscriptions and fees and accruals (and which approximates net market value);
- Fixed rate loans and bills of exchange – current risk adjusted market rates; and
- Investments in shares, other equity securities, debentures and other debt securities not traded in an organised financial market – directors' estimates of net market values based on future net cash flows, including transaction costs necessary to realise the securities, discounted at current risk adjusted market rates.

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)**

1. ACCOUNTING METHODS & POLICIES (CONT'D)

i) Development Costs

Costs incurred in respect of future new educational programs have been deferred and will be amortised on a straight line basis over their estimated economic lives or 5 years, whichever period is shorter.

j) Going Concern

The accounts have been prepared on a going concern basis notwithstanding the economic entity's and chief entity's working capital deficiencies on the basis of future expected cash flows and profitability.

k) Comparative Information

Where necessary, comparative information has been reclassified to comply with current year presentation of the accounts. Additionally, due to a change in balance dates this period, the current period information is for the 6 months ended 30 June, 2000 (last period : 12 months ended 31 December, 1999).

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of the members is drawn to the provisions of sub-sections (1), (2) and (3) of section 274 which read as follows:-

- 1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- 2) An organisation shall, on application made under sub-section (1) by a member of the organisation, or a Registrar, make the specified information available to the member or the Registrar in such manner and within such time, as is prescribed.
- 3) A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

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

**NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS
FOR THE PERIOD ENDED 30 JUNE 2000 (CONT'D)**

	Economic Entity		Chief Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
3. OPERATING RESULT BEFORE INCOME TAX HAS BEEN DETERMINED AFTER:-				
a) Crediting as Revenue				
Subscriptions	3,558,103	6,638,800	3,558,103	6,638,800
Interest	765	4,833	765	4,833
Proceeds on Sale of Fixed Assets	20,604	69,397	20,604	26,820
Other Income	5,454,060	9,280,956	1,238,963	1,924,135
	9,033,532	15,993,986	4,818,435	8,594,588
b) Charging as Expenses				
Affiliation Fees	39,879	106,212	39,879	106,212
Salaries & Allowances – Officers	-	-	-	-
Salaries & Allowances – Other	3,079,446	6,558,984	2,067,420	5,099,651
Meeting Expenses	50,779	63,304	50,410	63,304
Audit & Accounting Fees	17,848	17,980	8,898	10,000
Legal Fees	26,538	61,912	23,574	61,022
Members' Services & Support	4,596,471	7,535,896	881,334	2,369,111
Long Service Leave	9,995	(93,088)	9,995	(93,088)
Annual Leave	32,370	101,189	32,370	101,189
Interest and Bank Charges	199,005	331,232	158,003	259,046
Depreciation	311,839	337,068	198,272	237,529
Other Industrial Expenses	15,005	35,610	15,005	35,610
"Professional Update" Costs	156,070	376,683	156,070	376,683
Industrial Library	12,020	27,494	12,020	27,494
Amortisation of Goodwill	5,970	5,225	-	-
(Profit)/Loss on Sale of Fixed Assets	-	(13,942)	-	18,503
c) Abnormal Items of Income				
Revaluation of land and buildings previously devalued	-	-	-	-
4. INCOME TAX EXPENSE				
The National Board estimates that the potential future income tax benefit of income tax losses not brought to account as an asset in the accounts is:	420,497	226,743	-	-
5. CASH				
Cash at Bank	242,998	10,945	107,353	10,945
Cash on Hand	12,095	1,405	11,710	1,405
Cash on Deposit	2,033,673	71,096	2,033,673	68,980
	2,288,766	83,446	2,152,736	81,330

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)**

	Economic Entity		Chief Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
6. RECEIVABLES				
Current				
Subscriptions in Arrears	570,001	650,001	570,001	650,001
Provision for Non-Collectability	(60,001)	(120,000)	(60,001)	(120,000)
Net Subscriptions	510,000	530,001	510,000	530,001
Sundry Debtors	528,929	1,216,107	115,455	391,265
	1,038,929	1,746,108	625,455	921,266
Non Current				
Amounts Owed by Controlled Entities	-	-	-	-

Net Fair Values

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

Significant Terms and Conditions

Subscriptions and sundry debtors are required to be settled within 60 days.

Loans to controlled entities are unsecured and considered recoverable. They are interest free.

Credit Risk

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

	Economic Entity		Chief Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
7. OTHER ASSETS				
Prepayments	60,954	152,243	58,504	59,974
8. INVESTMENTS				
Shares in Controlled Entities	-	-	26	26
Other Unlisted Shares	152,307	150,990	1,291	-
	152,307	150,990	1,317	26

Net Fair Values

Shares in entities noted above have an aggregate net fair value approximating their carrying value.

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

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)**

	Economic Entity		Chief Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
9. PROPERTY, EQUIPMENT & VEHICLES				
Land and Buildings at National Board Valuation 31/12/99				
	5,000,000	5,000,000	5,000,000	5,000,000
Buildings at Cost	240,627	-	240,627	-
Total Land & Buildings	5,240,627	5,000,000	5,240,627	5,000,000
Accumulated Depreciation	56,455	-	56,455	-
	5,184,172	5,000,000	5,184,172	5,000,000
Office Equipment at Cost	3,773,487	3,911,230	3,377,035	3,636,986
Accumulated Depreciation	(1,939,407)	(2,022,735)	(1,761,429)	(1,884,001)
	1,834,080	1,888,495	1,615,606	1,752,985
Motor Vehicles at Cost	533,403	591,340	359,612	380,680
Accumulated Depreciation	(336,681)	(340,596)	(223,245)	(214,505)
	196,722	250,744	136,367	166,175
Motor Vehicles – Leased	648,607	509,593	648,607	509,593
Accumulated Amortisation	(140,367)	(92,469)	(140,367)	(92,469)
	508,240	417,124	508,240	417,124
Total Property, Equipment & Vehicles	7,723,214	7,556,363	7,444,385	7,336,284

The revaluation of freehold land and buildings was based on an assessment of the current market value of freehold land and buildings at the date of valuation by the National Board. All assets are carried at an amount not greater than their recoverable value.

	Economic Entity		Chief Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
10. INTANGIBLES				
Goodwill	104,506	104,506	-	-
Accumulated Amortisation	(61,612)	(55,642)	-	-
	42,894	48,864	-	-
Deferred and Development Costs	269,531	319,530	-	-
	312,425	368,394	-	-

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)**

	Economic Entity		Chief Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
11. CREDITORS & BORROWINGS				
Current				
Bank Overdraft	-	802,912	-	-
Sundry Creditors	1,455,588	716,000	429,964	306,117
Lease Liability	164,439	108,357	164,439	108,357
Bank Bills	3,000,000	2,400,000	3,000,000	2,400,000
Prepaid Subscriptions & Fees	3,295,380	2,527,523	1,990,077	1,461,956
	7,915,407	6,554,792	5,584,480	4,276,430
Non Current				
Debentures	3,002	3,002	3,002	3,002
Lease Liability	342,302	300,641	342,302	300,641
Amounts Owed to Controlled Entities	-	-	40,000	49,394
	345,304	303,643	385,304	353,037

Sundry Creditors and Prepaid Subscriptions & Fees

Sundry creditors and prepaid subscriptions & fees are generally settled within 30 days. The National Board consider the carrying amounts of these items approximate their net fair values.

Bank Overdraft, Bank Bills, Debentures and Amounts Owed to Controlled Entities

The bank bills and bank overdraft are secured by first mortgage over the economic entity's property in Melbourne. The debentures and amounts owed to controlled entities are unsecured.

The National Board consider that the carrying amounts of bank overdrafts, bank bills, debentures, lease liabilities and amounts owed to controlled entities approximate their net fair values.

	Economic Entity		Chief Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
12. PROVISIONS				
Current				
Long Service Leave	177,605	167,610	177,605	167,610
Annual Leave	581,101	548,731	581,101	548,731
	758,706	716,341	758,706	716,341

Net Fair Values

The National Board consider that the carrying amounts of provisions for employee entitlements approximate their net fair values. Such provisions are payable as and when such leave legally falls due.

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)**

	Economic Entity		Chief Entity	
	2000	1999	2000	1999
	\$	\$	\$	\$
13. RESERVES				
Capital Profits Reserve				
Balance as at 31 December and 30 June	144,184	144,184	144,184	144,184
Property Revaluation Reserve				
Balance as at 31 December	1,395,064	379,207	1,395,064	379,207
Movement for Year	-	1,015,857	-	1,015,857
Balance at 30 June	1,395,064	1,395,064	1,395,064	1,395,064
Asset Realisation Reserve				
Balance as at 31 December	451,777	451,777	451,777	451,777
Balance at 30 June	451,777	451,777	451,777	451,777
General Reserve				
Balance as at 31 December	94,018	94,018	94,018	94,018
Balance at 30 June	94,018	94,018	94,018	94,018
Total Reserves	2,085,043	2,085,043	2,085,043	2,085,043

14. CONTINGENT LIABILITY AND COMMITMENTS

The Chief Entity has confirmed its intention to provide continuing financial support to all of its controlled entities as and when required by those entities.

Future Finance Lease Payments are payable as follows:-

< 1 year	189,002	127,677	189,002	127,677
1-2 years	160,897	203,563	160,897	203,563
2-5 years	212,115	125,229	212,115	125,229
> 5 years	-	-	-	-
Gross Lease Payments	562,014	456,469	562,014	456,469
Less Future Finance Charges	55,273	47,471	55,273	47,471
Lease Liabilities	506,741	408,998	506,741	408,998
Current	164,439	108,357	164,439	108,357
Non Current	342,302	300,641	342,302	300,641
Lease Liabilities	506,741	408,998	506,741	408,998

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)**

	Chief Entity Investment		Equity Holding		Contributions to Economic Entity Profit & Loss	
	2000 \$	1999 \$	2000 %	1999 %	2000 \$	1999 \$
15. CONTROLLED ENTITIES						
Chief Entity						
Association of Professional Engineers, Scientists & Managers, Australia					500,835	(394,564)
Controlled Entities						
Member Advantage Pty Ltd	2	2	100	100	(11,822)	(3,482)
ETM Placements Pty Ltd	10	10	100	100	(21,255)	24,805
Education and Training for Professionals Pty Ltd	2	2	100	100	(485,918)	578,991
APESA Insurance Services Pty Ltd	2	2	100	100	111,076	(97,411)
Engineering Placements Pty Ltd	-	-	100	100	(2,200)	(6,799)
APESMA Bargaining Agency Pty Ltd	10	10	100	100	(16,306)	(56,496)
	26	26	n/a	n/a	74,410	45,044

No dividends were received or are receivable from controlled entities this year. All investments are in ordinary shares and all controlled entities were incorporated in Australia. Engineering Placements Pty Ltd is wholly-owned by ETM Placements Pty Ltd.

	Economic Entity		Chief Entity	
	2000 \$	1999 \$	2000 \$	1999 \$
16. EMPLOYEE BENEFITS				
Aggregate employee benefits including on-costs:				
Annual Leave and Long Service Leave	758,706	716,341	758,706	716,341

The present value of employee entitlements not expected to be settled within twelve months of balance date has been calculated using the following:

	%	%	%	%
Assumed rate of increase in salaries and wages	2	2	2	2
Discount Rate	6	6	6	6
Settlement term (years)	10	10	10	10

Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)

17. ADDITIONAL FINANCIAL DISCLOSURES

Interest Rate Risk

The economic entity's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments at balance date are:-

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest 1 year or less \$	Rate Maturities 1 to 5 years \$	over 5 years \$	Non Interest Bearing \$	Total \$
30 June 2000							
Assets:							
Cash	5.80	2,288,766	-	-	-	-	2,288,766
Subscriptions and Sundry Debtors			-	-	-	1,038,929	1,038,929
Shares and other equity securities			-	-	-	152,307	152,307
		2,288,766	-	-	-	1,191,236	3,480,002
Liabilities:							
Leases	7.80	-	164,439	342,302	-	-	506,741
Sundry Creditors and Prepaid Subscriptions and Fees		-	-	-	-	4,750,968	4,750,968
Bank overdraft		-	-	-	-	-	-
Bank bills	7.44	-	3,000,000	-	-	-	3,000,000
Employee entitlements		-	-	-	-	758,706	758,706
Debentures		-	-	-	-	3,003	3,003
		-	3,164,439	342,302	-	5,512,677	9,019,418
Net financial (liabilities)		2,288,766	(3,164,439)	(342,302)	-	(4,321,441)	(5,539,416)
31 December 1999							
Total financial assets	3.95	83,446	-	-	-	1,821,417	1,940,863
Total financial liabilities	6.45	802,912	2,508,357	300,641	-	3,962,866	7,574,776
Net financial (liabilities)		(719,466)	(2,508,357)	(300,641)	-	(2,141,449)	(5,669,913)

Credit Risk

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

The carrying amounts of financial assets included in the consolidated balance sheet represent the economic entity'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 accounts in accordance with accounting standards.

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2000 (Cont'd)**

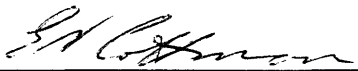
	Economic Entity		Chief Entity	
	2000 \$	1999 \$	2000 \$	1999 \$
18. NOTES TO THE STATEMENTS OF CASH FLOW				
i) Cash comprises cash on hand and at bank, net of outstanding bank overdrafts, as follows:-				
Cash	2,288,766	83,446	2,152,736	81,330
Bank Overdraft	-	(802,912)	-	-
	<u>2,288,766</u>	<u>(719,466)</u>	<u>2,152,736</u>	<u>81,330</u>
ii) Reconciliation of Operating Profit/(Loss) after Income Tax to net cash provided by Operating Activities				
Operating Profit/(Loss) after Income Tax	74,410	45,044	500,835	(394,564)
Add/Less Non cash and investing items				
Depreciation	311,839	337,068	198,272	237,529
Interest and Bank Charges	199,005	331,232	158,003	259,046
Annual Leave	32,370	101,189	32,370	101,189
Long Service Leave	9,995	(93,088)	9,995	(93,088)
Amortisation of Goodwill	5,970	5,225	-	-
Doubtful Debts (Subscriptions)	(59,999)	11,000	(59,999)	11,000
Interest Income	(765)	(4,833)	(765)	(4,833)
Loss/(Profit) on Disposal of Assets	-	(13,942)	-	18,503
Provision for Refurbishment/Revaluation Increment	-	-	-	-
	<u>572,825</u>	<u>718,895</u>	<u>838,711</u>	<u>134,782</u>
(Increase)/Decrease in Operating Assets, net of assets acquired through amalgamation				
Subscriptions	80,000	(244,435)	80,000	(244,435)
Sundry Debtors	687,178	(473,667)	275,810	(278,687)
Prepayments	91,289	14,603	1,470	4,799
	<u>1,431,292</u>	<u>15,396</u>	<u>1,195,991</u>	<u>(383,541)</u>
Increase/(Decrease) in Operating Liabilities, net of liabilities assumed through amalgamation				
Creditors and Borrowings	1,507,445	447,087	651,968	293,543
	<u>2,938,737</u>	<u>462,483</u>	<u>1,847,959</u>	<u>(89,998)</u>
iii) The economic entity has bill facilities of \$3.5 million as at 30 June 2000 which were fully utilised.				
iv) During the period, the economic entity acquired \$142,169 of assets by way of finance lease.				

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

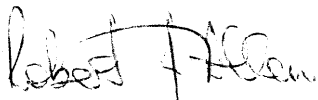
National Board's Certificate

We, Mr E Cottman and Mr R J Allen being two members of the National Board of the Association of Professional Engineers, Scientists & Managers, Australia, Federal Organisation and Branches, do state on behalf of the National Board and in accordance with a resolution passed by the Board that: -

1. In the opinion of the National Board, the attached accounts show a true and fair view of the financial affairs of the Economic Entity being the Association and its Branches and the entities it controls, as at 30 June, 2000;
2. In the opinion of the National Board, meetings of the National Board were held during the period ended 30 June, 2000 in accordance with the rules of the Association;
3. To the knowledge of any member of the National Board, there have been, during the year, no instances where records of the Association or other documents (not being documents containing information made available to a member of the organisation under subsection 274(2) of the Workplace Relations Act 1996 or copies of those records or documents or copies of the rules of the Association and its Branches), have not been furnished or made available to members of the Association in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the Association; and
4. The Association has complied with Section 273(1), 279(1) and 279(6) of the Act in relation to the financial accounts in respect of the period ended 31 December, 1999 and the auditors' report thereon.



E Cottman



R J Allen

Dated: 15 June 2000

Melbourne, Victoria

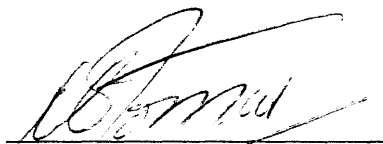
THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

Accounting Officer's Certificate

I, Mr D Tomat being the officer responsible for the accounting records of the Association of Professional Engineers, Scientists & Managers, Australia, Federal Organisation & its Branches certify that as at 30 June, 2000 the number of members in the Association was 23,920.

In my opinion:—

1. The attached accounts show a true and fair view of the financial affairs of the Association and its Branches as at 30 June, 2000;
2. A record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Association;
3. Before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the rules of the Association;
4. With regard to the funds of the Association, raised by compulsory levies or voluntary contributions from members or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
5. No loans or other financial benefits, other than remuneration in respect of their full-time employment with the Association, were provided to persons holding office in the Association; and
6. The register of members of the Association was maintained in accordance with the Act.



D Tomat
National Treasurer

Dated: 13 June 2000

Melbourne, Victoria



STANNARDS
Accountants and Advisors

Member of Australian
Accounting Group

Marno Angelini, CA
David Stannard, CA
Michael Shulman, CA
Philip Shulman, CPA
Nello Fraticante, CPA

**Independent Auditors' Report
To The Members of The Association of Professional
Engineers, Scientists and Managers, Australia**

SCOPE

We have audited the financial statements of the Association of Professional Engineers, Scientists and Managers, Australia ("the Association") for the financial period ended 30 June, 2000. The financial statements include the consolidated accounts of the economic entity comprising the Association of Professional Engineers, Scientists and Managers, Australia, and the entities it controlled at 30 June, 2000 or from time to time during the financial year. The National Board are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the Workplace Relations Act 1996 and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the economic entity's and the Association's financial position and the results of their operations.

The audit opinion expressed in this report has been formed on the above basis.



**Independent Auditors' Report
To The Members of The Association of Professional
Engineers, Scientists and Managers, Australia (Cont'd)**

AUDIT OPINION

In our opinion:—

- i) there were kept by the economic entity and the Association in respect of the year satisfactory accounting records detailing the sources and nature of the income (including income from members) and the nature and purposes of the expenditure of the economic entity and the Association;
- ii) the attached accounts and statements, prepared under the historical cost convention and in accordance with section 273 of the Workplace Relations Act 1996 and other mandatory professional reporting requirements, are properly drawn up so as to give a true and fair view of:
 - a) the financial affairs of the economic entity and the Association as at 30 June, 2000;
 - b) the income and expenditure and net result of the economic entity and the Association for the period ended on that date; and
- iii) we received all the information and explanations that, under Section 276(2) of the Workplace Relations Act 1996, officers or employees of the economic entity and the Association were required to provide.

M B Shulman
Chartered Accountant
Registered Company Auditor

M Angelini
Chartered Accountant
Registered Company Auditor

Dated: 13 Oct 2000 2000

Melbourne, Victoria