



Australian Government
Australian Industrial Registry

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Ms Roberta Esbitt
National Secretary
The Association of Professional Engineers, Scientists and Managers, Australia
GPO Box 1272L
MELBOURNE VIC 3001

Dear Ms Esbitt,

Re: Financial Reports for year ended 30 June 2006 – The Association of Professional Engineers, Scientists and Managers, Australia - FR 2006/244

Thank you for forwarding further information in relation to the financial reports of The Association of Professional Engineers, Scientists and Managers, Australia for the year ended 30 June 2006: this has been placed with the documents previously lodged.

The financial documents have now been filed.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell
Statutory Services Branch

17 October 2007



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

GPO Box 1272L
Melbourne, Vic 3001
Phone: (03) 9695 8800
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163 Eastern Road
South Melbourne 3205
info@apesma.asn.au
<http://www.apesma.asn.au>

13 October 2007
Mr Larry Powell
The Industrial Registrar
Australian Industrial Commission
11 Exhibition Street
Melbourne
Victoria

Dear Sir

Lodgement of Financial Documents in Pursuant to the WorkPlace Relations Act 1996

I am attaching the Designated Officer certificate as required in pursuant to Section 268 of Schedule 1 of the Workplace Relations Act for lodgment of financial statements.

The financial year in the Designated Officer certificate related to the financial year ended 30 June 2006 and copy of the annual accounts have earlier been lodged with your office.

Yours Faithfully

A handwritten signature in black ink, appearing to be 'R. Lee'.

ROGER LEE
DIRECTOR FINANCE





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

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15 October 2007

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

Dear Sir,

**National Secretary's Certificate in Pursuant to Section 268 of Schedule 1B Workplace
Relations Act 1996**

I, Ms Roberta Esbitt, being the National Secretary of the Association of Professional
Engineers, Scientists & Managers, Australia, certify:

1. That the documents lodged herewith are copies of the annual report referred to in s268 of
the RAO Schedule; and
2. That the members have been notified in the September/October 2006 edition of
Professional Network that the full report has been published and is available at a specified
internet address, and
3. That the full report was presented to a meeting of the National Board on 12 October 2007 ;
in accordance with section 266 of the RAO Schedule ..

A handwritten signature in black ink, appearing to read 'R Esbitt', with a long, sweeping flourish extending to the right.

R Esbitt
NATIONAL SECRETARY





13 September 2007

Larry Powell
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Re: Financial Reports for Year Ended 30 June 2006 – APESMA FR 2006/244

Dear Mr Powell,

I refer to your various correspondences on this matter and advise the following:

- In the October/November 2006 edition of APESMA's national magazine "Professional Network" an ad was placed advising members of the availability of the annual accounts. I have attached of this advertisement to this correspondence.
- On 21st & 22nd October 2006 the National Assembly of APESMA met and resolved to accept the audited financial statements for the 30 June 2006. I have attached to this correspondence a copy of the minutes of the National Assembly meeting of 21 & 22nd October 2006.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Roberta Esbitt', written in a cursive style.

ROBERTA ESBITT
National Secretary

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

Registered Office: 163 Eastern Road
South Melbourne Vic 3205

MINUTES OF 14th MEETING OF THE NATIONAL ASSEMBLY

The 14th Meeting of the National Assembly was held at the APESMA Office in Melbourne on 21 & 22 October 2006.

The National President, T Griffin declared the meeting open at 10:30am

1. ATTENDANCE

National Officers:	T Griffin (National President), D Tomat (Senior Vice President), R Esbitt (National Secretary), C Jones (National Treasurer), Joe McKay (National Vice President), J Waldock (National Vice President)
Branches:	
NSW:	M Cahill, J McKay, C Jones, A Chaffey
VIC:	K Bader, B Hammond, J Waldock, P Rose
QLD:	P Bambrick, T Griffin (also as proxy for J Cragg, L Oldfield), M Morro (as proxy for J Livingston)
SA:	A Russack, B Jackson
WA:	B Norris, L Noble
TAS:	D Tomat
NT:	D Nebauer, A Wheaton
ACT:	A Toohey, G Tomes (proxy for A Marquardt)
LGEA (NSW):	
ABC Senior Executives:	J Highfield, D Leahy
Senior Managers:	R Coulson
Architects:	R Esbitt, E Atkinson
Scientist Position:	R Porter, L Mottee
Transport Division:	
Pharmacists Branch:	G March, C Antrobus (as proxy for K Minchin)
Collieries Staff Division	R Rienstra, C Jacobson)
MPD	R Miller, C Greenway
Woman Member	T Travis
Aust Govt Division	G Weston, W Killingsworth
Apologies	A Marquardt, J Cragg, , R Miller, J Livingston, L Oldfield, K Minchin, P Cassar
Staff	J Vines (Chief Executive), G Fary (Executive Director Industrial Relations), R Lee (Director Finance), E Wood (Director Professional Services), J Calvert (Director Victoria), T Veenendaal (Director Organising) were also present.
Guests & Observers	Senator Stephen Conroy (Guest Speaker), R Coxon (Observer), M Wong (Observer), J Dezylyva (Observer), M Shulman (Auditor).

1.1 GUEST SPEAKER

Senator Stephen Conroy, Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology, addressed the Assembly and answered questions from Assembly members. Vice President Joe McKay proposed the vote of thanks.

2. REGISTRATION OF DECLARATIONS OF INTEREST

The National President drew attention to the need for members to update their Register of Interests if there had been any changes since the previous meeting.

3. ADOPTION OF THE AGENDA FOR THE MEETING

The Assembly resolved to adopt the agenda and schedule included in the papers for the meeting.

4. CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING

On the motion of R Esbitt, seconded B Hammond, the Assembly resolved:

"That the Minutes of the 13th Meeting of National Assembly held on 6 & 7 May 2006 be confirmed.

5. NATIONAL SECRETARY

The Assembly resolved to receive the report of the National Secretary.

6. NATIONAL TREASURER

The Assembly resolved to receive the report of the National Treasurer.

6.1 AUDITED FINANCIAL STATEMENTS

On the motion of C Jones, seconded A Toohey, the Assembly resolved:

"That the audited financial statements for year ended 30 June 2006 as presented to National Assembly be accepted".

6.2 APPOINTMENT OF AUDITOR

On the motion of C Jones, seconded A Toohey, the Assembly resolved:

"That Stannards Accountants be appointed as the Association's Auditors for the year ending 30 June 2007 at a fee of \$28,000 (plus GST)."

6.3 DELEGATION FOR SETTING 2007/8 SUBSCRIPTION

On the motion of C Jones, seconded A Toohey, the Assembly resolved:

"That the setting of the 2007/8 subscription be delegated to the National Board in consultation with Branch and Division Presidents".

7. CHIEF EXECUTIVE

The Assembly resolved to receive the report from the Chief Executive.

Adjournment 12.55pm -1.45pm

8. EXECUTIVE DIRECTOR, INDUSTRIAL RELATIONS

The Assembly resolved to receive the report from the Director Industrial Relations.

8.1 ACTU FEDERAL ELECTION CAMPAIGN

On the motion of J Highfield, seconded J McKay, the Assembly resolved:

"That National Assembly authorises APESMA participation in the IR information campaign being conducted by the ACTU for the forthcoming Federal Election on the understanding that the Association maintains control over the content of any communications with APESMA members".

9. DIRECTOR, PROFESSIONAL SERVICES

The Assembly resolved to receive the report of the Director Professional Services.

10. DIRECTOR ORGANISING

The Director Organising gave a presentation on Organising within APESMA.

10.1 WORKING GROUPS

The Assembly adjourned into working groups to discuss the implementation of an Organising approach within APESMA.

Adjournment

The Assembly adjourned at 5.00pm and resumed at 9.10am on 22 October

10.2 REPORT BACK FROM WORKING GROUPS

10.2.1 ORGANISING RESOURCE KIT

On the motion of D Leahy, seconded G Tomes, the Assembly resolved:

That National Assembly requests the National Board to develop an organising resource kit for use within the Association's Branches and Divisions.

10.2.2. PRIORITY IN ORGANISING

On the motion of C Greenway, seconded L Mottee, the Assembly resolved:

That National Assembly agrees that priority be given to implementing the organising approach in those areas of existing EBA coverage and areas of significant potential for EBA coverage.

10.2.3 FURTHER REPORTS

On the motion of P Bambrick, seconded Peter Rose, the Assembly resolved:

That National Assembly notes the reports of the Working Groups and requests the working groups to undertake some further out of session discussion with the view to providing a succinct report on the topic by 15 November 2006 for consideration by the National Board.

11 WORKING GROUPS – PROFESSIONAL AND INDUSTRY ISSUES

The National Assembly convened into Working Groups to discuss Professional and Industry issues.

11.1 REPORT BACK FROM WORKING GROUPS

The Assembly resolved to receive the reports from the Working Groups on Professional and Industry Issues.

12. REPORTS FROM BRANCHES AND DIVISIONS

The Assembly resolved to receive the reports from the Branches and Divisions.

13. GENERAL BUSINESS

13.1 CORPORATE STRATEGIC PLAN

On the motion of J McKay, seconded C Jones, the Assembly resolved:

That the Corporate Strategic Plan be referred to the meeting of Branch/Division Presidents with the National Board to be held in February 2007.

13.2 DELEGATIONS OF AUTHORITY

On the motion of J McKay, seconded D Tomat, the Assembly resolved:

(i) Authorisation of Industrial Action - Delegation of Authority for the purposes of s446 of Workplace Relations Act 1996

That National Assembly having considered the report of the Executive Director Industrial Relations with regard to authority for the authorisation of industrial action, resolves in accordance with Rule 32 to delegate power to authorise industrial action under s446 of the Workplace Relations Act to any National Board Member, the Chief Executive Officer, the Executive Director Industrial Relations, the Senior Industrial Officer (National Office), the National Legal Officer and the National Manager Legal Support Service. Provided that before an authority for industrial action is signed the authorising officer should be satisfied that the relevant Branch has been informed of and has approved the industrial action in accordance with Association policy and procedure.

The National Assembly further authorises any National Board Member, the Chief Executive Officer, the Executive Director Industrial Relations, the Senior Industrial Officer (National Office), the National Legal Officer and the National Manager Legal Support Service to sign any documents relating to this delegation of authority.

National Assembly reserves the right to revoke or vary this delegation of authority at any time.

(ii) Authority with regard to Applications to Vary Awards, Lodgement of Dispute Notifications and Applications to have a Dispute Resolution Process conducted

That National Assembly having considered the report of the Executive Director Industrial Relations with regard to authority for signing applications to vary Awards, notifications of dispute, and applications to have a dispute resolution process conducted resolves that in accordance with Rule 32, any National Board Member, the Chief Executive Officer, Executive Director Industrial Relations, Directors Queensland, New South Wales, Victoria, South Australia, Western Australia, ACT, Tasmania and Collieries Staff Division together with the National Legal Officer, the National Manager Legal Support Service and the Senior Industrial Officers National Office, Victoria and New South Wales be authorised to sign applications to vary Awards and notifications of dispute provided that the use of such authority is recorded in a register to be maintained by the National Office and available for inspection at the request of National Board or National Assembly and that copies of any applications and/or dispute notifications are lodged with National Office.

National Assembly reserves the right to revoke or vary this delegation of authority at any time.

(iii) Authority with regard to Objections to Rule Changes

That National Assembly having considered the report of the Executive Director Industrial Relations with regard to authority for the signing of objections in matters involving applications for change of name or alteration of eligibility rules of organisations, resolves that in accordance with Rule 32, any National Board Member, the Chief Executive Officer or Executive Director Industrial Relations be authorised for the purpose of Regulation 124 of the Workplace Relations (Registration and Accountability of Organisations) Regulations to sign notices of objection and associated documents provided that a report shall be made to the next meeting of the National Assembly with regard to any such notices of objection signed.

National Assembly reserves the right to revoke or vary this delegation of authority at any time.

(iv) Authority with regard to Workplace Agreements

That National Assembly having considered the report of the Executive Director Industrial Relations with regard to authority given for the signing of Workplace Agreements, resolves that in accordance with Rule 32, any National Board Member, the Chief Executive Officer, Executive Director Industrial Relations, Directors Queensland, New South Wales, Victoria, South Australia, Western Australia, Tasmania, ACT, Collieries Staff Division and Executive Officer NT together with the National Legal Officer, the National Manager Legal Support Service and the Senior Industrial Officer (National Office) be authorised to approve the terms of workplace agreements and to sign such agreements and the associated documentation on behalf of the Association. In the case of the Queensland Branch, National Assembly also delegates to the Industrial Officer Queensland the authority to approve the terms of workplace agreements in the Local Government Industry and the authority to sign the associated documentation with respect to such agreements on behalf of the Association.

These delegations are provided subject to the requirement that any agreements so entered shall be reported to the next meeting of each of the National Board and National Assembly and that copies of agreements and supporting documentation are lodged with National Office.

National Assembly reserves the right to revoke or vary this delegation of authority at any time.

(v) Authority for the purpose of Initiating Bargaining Periods under the Workplace Relations Act

That National Assembly having considered the report of the Executive Director Industrial Relations with regard to authority for signing notices to commence a bargaining period under the Workplace Relations Act, resolves that in accordance with Rule 32, any National Board Member, the Chief Executive Officer, Executive Director Industrial Relations, Directors Queensland, New South Wales, Victoria, South Australia, Western Australia, ACT, Collieries Staff Division and Tasmania, National

Legal Officer and Senior Industrial Officers National Office, Victoria and New South Wales be authorised to sign notices to commence bargaining periods.

National Assembly reserves the right to revoke or vary this delegation of authority at any time.

(vi) Authority with regard to Applications for an Order for a Protected Action Ballot

That National Assembly having considered the report of the Executive Director Industrial Relations with regard to authority for signing Applications for an Order for a Protected Action Ballot under the Workplace Relations Act, resolves that in accordance with Rule 32, any National Board Member, the Chief Executive Officer, Executive Director Industrial Relations, Directors Queensland, New South Wales, Victoria, South Australia, Western Australia, ACT, Collieries Staff Division and Tasmania, National Legal Officer, National Manager Legal Support Service and Senior Industrial Officers National Office, Victoria and New South Wales be authorised to sign notices to obtain orders for the conduct of a ballot regarding the taking of protected action.

National Assembly reserves the right to revoke or vary this delegation of authority at any time.

(vii) Authority to Appoint Bargaining Agents

That National Assembly having considered the report of the Executive Director Industrial Relations with regard to authority to appoint relevant staff to act as Bargaining Agents at the request of members resolves that in accordance with Rule 32, the Executive Director Industrial Relations be authorised to appoint relevant staff to act as Bargaining Agents at the request of members.

National Assembly reserves the right to revoke or vary this delegation of authority at any time.

(viii) Annual Reports

That a register of delegated authorities be maintained and presented annually to National Assembly for review.

13.3 COMMUNICATION STRATEGIES

On the motion of D Leahy, seconded Noble, the Assembly resolved:

That National Assembly requests that when devising communications strategies to both consult and empower the members or targeted demographic that the tools and communications methods be appropriate to them, for example young professionals.

13.4 ANNUAL GENERAL MEETINGS

On the motion of J McKay, seconded A Russack, the Assembly resolved:

That the Rules Committee in consultation with Branch/Division Presidents provide draft rule changes to remove the requirement for Branch Annual General Meetings and in lieu thereof for Branches to convene an annual "Report to Members" Forum and that the draft rules be presented to NA15.

13.5 ELECTION OF NATIONAL ASSEMBLY

On the motion of K Bader, seconded P Bambrick, the Assembly resolved:

That the National Board be requested to provide to NA15, a discussion paper on options for the election of National Assembly to more closely align the membership of National Assembly with that of Branch/Division Committees.

13.6 CERTIFICATION/ACCREDITATION SCHEME FOR APESMA MEMBERS

On the motion of J McKay, seconded P Rose, the Assembly resolved:

That National Assembly approve in principle the proposal to establish a certification scheme for APESMA members as outlined in the paper presented by the Chief Executive and authorises the National Board to further develop the proposal with a view to formal approval of the scheme by NA15.

13.7 PROFESSIONALS TODAY

On the motion of J McKay, seconded J Waldock, the Assembly resolved:

That National Assembly notes the report from the Chief Executive on the Professionals Today proposal and authorises the National Board to proceed with the implementation of the proposal in areas in which the risk to the Association's existing membership is minimised. Further that Professionals Today also be trialled via the proposed ACTU recruitment kiosks and utilising search engine marketing techniques. The National Board is to report regularly to National Assembly on the impact of Professionals Today in terms of subscriber numbers and any impact on Association membership numbers and level of demand for fee for service arrangements

13.8 COMMUNICATIONS

On the motion of C Greenway, seconded A Toohey, the Assembly resolved:

That National Board circulate to National Assembly the APESMA communication strategy for all key groups for discussion and development.

13.9 YOUNG PROFESSIONALS REFERENCE GROUP

On the motion of L Mottee, seconded R Porter, the Assembly resolved:

That National Assembly approve the establishment of a Young Professionals Reference Group similar to the Women's Reference Group to provide a forum for the discussion of issues relevant to Young Professionals.

13.10 AWARD OF DISTINGUISHED LIFE MEMBERSHIP

On the motion of D Tomat, seconded J McKay, the Assembly resolved;

That the Award of Distinguished Life Membership be conferred on John Damien Vines.

13.11 VOTE OF THANKS – NATIONAL PRESIDENT

The Senior Vice President moved a vote of thanks for the contribution of the National President Tim Griffin who advised he would not be seeking re-election as National President in 2007, as he had decided to pursue a career opportunity in the United Kingdom. The meeting voted by acclamation.

The National President closed the meeting at 2:35pm.



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National President
Tim Griffin

Senior Vice President
Dario Tomat

National Secretary
Roberta Esbitt

National Treasurer
Colin Jones

Vice Presidents
Andreas Marquardt
Joe McKay
Jane Waldock

Chief Executive
John Vines OAM



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Professional Network

OCTOBER/NOVEMBER 06

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News

- 04
- From the CEO: Six strong decades
 - From the president: Anniversary achievement
 - Brainwaves: Peter Kingwill, FAICD

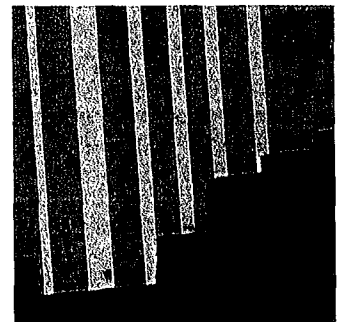
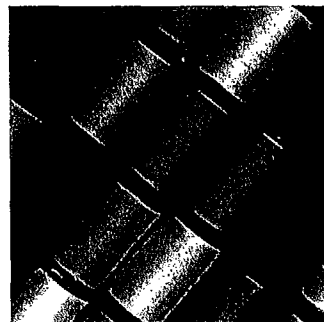
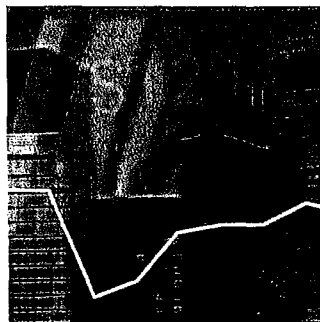
Industrial Relations

- 05 Individual support
As the use of contracts increases, support and advice becomes even more important.

- 06 Industrial round-up
News from NSW, Qld, SA, Tas, WA and the Collieries' Staff division

Salaries

- 08 ICT salaries rebound
Increased demand and a shortage of experienced staff mean better salaries for ICT professionals.



Workplace

- 09 Sun shines on salaries
Queensland's mining and infrastructure booms are making it the big player in the engineering market.

Contractor Update

- 10 Senate inquiry verdict on contractors bill
What contractors need to know

- 10 Never too late to learn
APESMA Connect member profile

APESMA Update

- 11
- Jonathan Kwan, Graduate mechanical engineer
 - Mentors online since 2002

- 12 Going for growth
APESMA members are being stirred to action, and with good reason.

- The power of representation
- Qld on the move
- New Victorian director, Julie Calvert
- Member seminars
- Member feedback

14 Member Benefits

- Career
- Financial
- Industrial
- Information
- Lifestyle

APESMA Audited Accounts and Financial Statements 2005/6

The Workplace Relations Act (1996) requires that the financial affairs of unions are checked and audited every 12 months and made available to members.

Both full and concise reports of the Association's audited 2005/6 accounts along with the auditor's opinion are available at www.apesma.asn.au

Printed copies of the accounts, statements and auditor's report are available free of charge by writing to:

John Vines, Chief Executive,
APESMA, 163 Eastern Rd,
South Melbourne, Vic, 3205

60th Anniversary
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*The Association of Professional
Engineers, Scientists &
Managers, Australia*

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13 August 2007

Mr Larry Powell
The Industrial Registrar
Australian Industrial Commission
11 Exhibition Street
Melbourne
Victoria

Dear Sir

Lodgement of Financial Documents in Pursuant to the WorkPlace Relations Act 1996

Provision of reports to members – Section 265 of the Act

I am writing to inform you that the Association as in the past year , is not intended to publish its annual accounts in the Professional Update journal instead the annual accounts will be published on the Association's website as more than 90% of our members being professionals , would have access to the Internet . Of course if the members on request , would be provided with copies of the report.

As advised by you during our meeting in April this year , you proposed that we should submit the annual accounts for informal assessment before formally lodging the accounts. I intend to follow your advice this year.

Yours Faithfully

A handwritten signature in black ink, appearing to be 'Roger Lee', written over a horizontal line.

ROGER LEE
DIRECTOR FINANCE





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Australian Industrial Registry

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Mr Joseph Kelly
National Legal Officer
The Association of Professional Engineers, Scientists and Managers, Australia
GPO Box 1272L
MELBOURNE VIC 3001

Dear Mr Kelly,

Re: Financial Reports for year ended 30 June 2006 – The Association of Professional Engineers, Scientists and Managers, Australia - FR 2006/244

I am writing confirming our telephone discussion of 18 May 2007 where you advised that the organisation was in the process of altering its rules so as to provide for a 5% rule. You also advised that you would keep this office informed as to the progress of the matter.

We have not received any advice as to the status of this matter since our last conversation. Could you please advise this office where this matter is now at.

As the financial reports were lodged in the Industrial Registry on 27 October 2006, we hope that a speedy resolution to the outstanding matters can be attained.

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell
Statutory Services Branch

29 June 2007



Australian Government
Australian Industrial Registry

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Ms Roberta Esbitt
National Secretary
The Association of Professional Engineers, Scientists and Managers, Australia
GPO Box 1272L
MELBOURNE VIC 3001

Dear Ms Esbitt,

Re: Financial Reports for year ended 30 June 2006 – The Association of Professional Engineers, Scientists and Managers, Australia - FR 2006/224

Receipt is acknowledged of the financial reports and concise report of The Association of Professional Engineers, Scientists and Managers, Australia for year ended 30 June 2006. The documents were lodged in the Industrial Registry on 27 October 2006.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule). Please note that these matters are generally advised for assistance in the future preparation of financial reports. With the exception of the comments concerning item 1, no further action is required in respect of the subject documents.

The following comments are in relation to both the full set of accounts and also the concise report.

1. Timescales

Financial documents lodged with the Registrar are required by subsection 268(c) of the RAO Schedule to be filed under cover of a certificate by a designated officer, in this case, the National Secretary, stating that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266. Such reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements (see enclosed Diagrammatic Summary).

I note that the Designated Officer's Certificate states that the "Annual Account was presented in a meeting of the members, namely the National Assembly". An examination of the organisation's rules indicates that the National Assembly is in fact the organisation's committee of management and not a meeting of members.

It is unclear from the information provided whether a copy of the financial reports have been supplied to members [s.265(5)] and presented to a meeting after such documents were supplied to members [s.266].

As you know section 266 makes provision for the methods by which a reporting entity may satisfy its obligation to present the full report to members. The purpose of the financial reporting provisions generally is to ensure disclosure to members and, to offer those members an opportunity to raise any matter that concerns them regarding material disclosed in that information. The vehicle for members to achieve this is either at a general meeting of members or at a meeting of the committee of management. The latter option is only available if the precondition in subsection 266(3), that is the 5% rule, is satisfied.

Sub-rule 33.12.2 of the rules of your organisation allows 2% of financial members to requisition a Special General Meeting. This requirement exceeds the prescription in s.266(3) and

therefore cannot be relied upon for the purposes of that subsection. This is also the case with respect to the second part of this sub-rule. If you wish to avail yourself of the benefits of s.266(3) I suggest you consider a rule similar to "A general meeting of members may be called by resolution of 5% of members".

In these circumstances, the alternatives require the presentation of the relevant documents to a general meeting of members, or at a series of meetings at different locations (this alternative is only available if the rules make provision for such meetings). It should also be noted that the financial reports should be provided to members at least 21 days before the general meeting at which the documents are to be presented [refer s.265(5)(a)].

The organisation may wish to take steps to alter its rules to incorporate the 5% rule referred to previously.

Would you please advise whether the financial reports have been supplied to the organisation's members and if so when and what body the financial reports were then presented to and the date when that occurred.

2. Operating Report

Results of principal activities

I refer to the Operating Report, in particular to the "results of operation". I note that s254(2)(a) of the RAO Schedule requires the operating report to include a review of the reporting entities' principal activities, the results of those activities and any significant changes in the nature of those activities.

The "results of operation" requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entities financial result, particularly as measured in dollar 'surplus' or 'loss' terms. Although this may not be stated explicitly in the text of the subsection, I think it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborated elsewhere in the financial documents, such as the Balance Sheet and/or the Profit and Loss statement.

3. Notice to members

I note that the notice to members provides the provisions of section 274 of the Workplace Relations Act 1996. The accounts should set out the provisions of subsections 272(1), (2) and (3) of the RAO Schedule. Would you please ensure those subsections are copied into the GPFR in the next financial report.

4. References to Act

There are a number of references in the financial documents to previous sections of the Workplace Relations Act 1996 e.g. Note 2 of the concise report to section 279(2), in both financial documents to section 274, the auditor's report of the full set of accounts to section 273 and also the "National Secretary's Declaration" to section 279(6). Financial documents lodged in the Industrial Registry should be prepared, audited, supplied to members, presented to a meeting of members or of the committee of management in accordance with Schedule 1 of the Workplace Relations Act 1996 (Commonwealth).

The following comments are made in relation to the full set of accounts.

5. **Auditor's Report**

Auditor's Opinion

The opinion of the auditor made under the auditor's report is expressed in terms previously required under the Workplace Relations Act 1996. Subsection 257(5) of the RAO Schedule now sets out the matters upon which an auditor is required to make an opinion. The following wording would satisfy the requirements of the Schedule:

"In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996."

6. **Committee of Management Statement**

Paragraph (e)(i) of the Statement refers to meetings of the reporting unit. Such reference should have been to the organisation's committee of management – see Guideline 25 of the Industrial Registrar's Guidelines.

The following comment is made in relation to the concise report.

7. **Concise Report**

The concise report attached to your financial report is noted. As you know, the reporting unit can discharge its obligation to supply a full copy of its financial documents to its members with a concise report of the financial statements for the relevant financial year.

A concise report for the financial year may only be provided to members instead of the full report if under the rules of the reporting unit the committee of management resolves to do so. The concise report consists of (refer s265(3)) of the RAO Schedule:

- (a) a concise financial report including:
 - (i) the 3 financial statements as in the full report except that the notes may be omitted; and
 - (ii) disclosures of information for the preceding financial year; and
 - (iii) discussion and analysis of the principal factors affecting the financial performance, financial position and financial and investing activities of the reporting unit to assist the understanding of members; and
 - (iv) the committee of management statement required by the reporting guidelines; and
 - (v) a statement that the concise financial report has been derived from the full report and cannot be expected to provide as full as understanding of the financial performance, financial position and financial and investing activities of the reporting unit as the full report; and
 - (vi) the notice drawing attention to the additional information that must be made available to a member or a Registrar on behalf of a member on application; and
 - (vii) any other information consistent with the full report; and
- (b) the operating report for the year;

- (c) a statement by the auditor that the concise financial report has been audited and whether in the auditor's opinion it complies with the relevant Australian Accounting Standards;
- (d) in relation to the auditor's report on the full report, the following:
 - (i) whether in the auditor's opinion the general purpose financial report is presented fairly in accordance with Australian Accounting Standards, the reporting guidelines, or any other requirements of Chapter 8, Part 3 of the RAO Schedule; and
 - (ii) description of the effect (quantified if practicable) of any non-compliance; and
 - (iii) description of any defect or irregularity in the general purpose financial report; and
 - (iv) description of any deficiency, failure or shortcoming in respect of:
 - (v) the auditor's entitlement to full and free access to the financial records and information and explanations sought for purposes of the audit (s257(2)); and
 - (vi) the obligations of the reporting unit for keeping proper financial records (s252); and
 - (vii) a statement that the report is a concise report and that a copy of the full report and auditor's report will be sent to the member free of charge if the member asks for them.

I note that the income statement, balance sheet, statement of cash flow and operating report differ from those contained in the full set of accounts. As mentioned above, a concise report contains the 3 financial statements as in the full report and also the operating report for the year. In future, such documents should be reproduced in the concise reports as in the full set of accounts.

While the branch has complied with most of the requirements mentioned above, it should review the information it includes in such future reports in order to fully comply with s265(3).

Electronic Lodgement

I encourage you to take advantage of the electronic lodgement service provided by the Registry for future lodgements. You may register as a user and then lodge your documents via the Electronic Lodgement page of the AIRC website at www.airc.gov.au. Alternatively, you may send an email with the documents attached to riateam3@air.gov.au

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au.

Yours sincerely



Larry Powell
Statutory Services Branch

24 November 2006

FE2006/244



*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>

24 October 2006

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

Dear Sir

**Lodgement of Financial Documents for the year ended 30 June 2006
Schedule 1B- Workplace Relations Act 1996 (RAO Schedule)**

I am enclosing the Annual Accounts of the Association for the year ended 30 June 2006.

I am enclosing the full set as well as audited concise version of the Annual Accounts and the National Secretary Declaration. I look forward to receive your acknowledgement of the lodgement of the financial documents in due course.

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

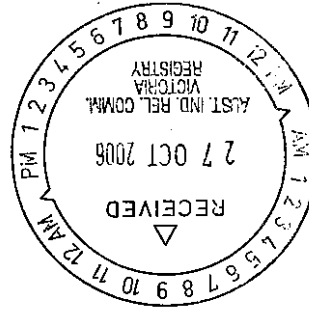
Yours Faithfully

ROGER LEE
DIRECTOR FINANCE



24 October 2006

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>

Dear Sir,

National Secretary's Declaration in Pursuant to Section 268 (1) of the Workplace Relations Act 1996

I, Ms Roberta Esbitt, being the National Secretary of the Association of Professional Engineers, Scientists & Managers, Australia, hereby certify:

1. That the attachments contain 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 year ended 30 June 2006. Approval has been given under Section 271 of the Act for the Organisation to present a consolidated Annual Account. The branches and divisions are as follows:

- Federal Organisation
- New South Wales Branch
- Victorian Branch
- South Australian Branch
- Western Australian Branch
- Australian Capital Territory Branch
- Queensland Branch
- Tasmanian Branch
- Northern Territory Branch
- Local Government Engineers Association of NSW Division
- Senior Managers (Telstra and Australia Post) Division
- Australian Broadcasting Commission Senior Executives Division
- Architects Division
- Pharmacists Division
- Transport Division
- Collieries Staff Division
- Managers & Professionals Division

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

3. That the date of the meeting was 21 October 2006.

A handwritten signature in black ink, appearing to read 'R Esbitt', written over a horizontal line.

R Esbitt
NATIONAL SECRETARY



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

**FINANCIAL STATEMENTS AND REPORTS
FOR THE PERIOD ENDED 30 JUNE 2006**

Operating Report

The National Board present the report of the Group (APESMA Group) consisting of the Association of Professional Engineers, Scientists & Managers, Australia and the entities it controlled at the end or during the year ended 30 June, 2006.

PRINCIPAL ACTIVITY

The principal activity during the financial year was to provide industrial services and advance the employment, social and economic interests of members. There has been no significant change in the nature of these activities during the year.

RESULTS OF OPERATION

The Group result for the year was a net surplus of \$65,865 (2005: Net Surplus of \$154,901).

REVIEW OF OPERATION

New strategies established in the last 12 months will position the Group to meet new challenges and the needs of the members in the future. During the year, a new plan called "Building APESMA's Future" has been implemented which involved the establishment of a new member support centre, enhanced legal support for members and funds for member recruitment and mentoring programs. The Building APESMA's Future program is funded by a \$1/member/week allocation from the Association's subscription income. Unspent monies in this fund are retained in the fund rather than being absorbed in consolidated revenue.

Total revenues for the group have increased by 10% from \$16.86 million in 2004/05 to \$18.55 million this year. The increase in revenue is due to an increase in subscriptions and increased revenue in the Associations wholly owned companies, Chifley Business School and ETM Placements.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the year.

Since balance date, the National Board is not aware of any events which would impact the operating results reported by the Group, and/or its future operations or state of affairs.

RIGHTS OF MEMBERS TO RESIGN

Members have the right to resign from the Association by forwarding a written statement addressed and delivered to the person designated in the rules of the organisation or a branch of the organisation. Rule 9 in the Association's Rules provides details of the right of member to resign.

NUMBER OF MEMBERS

As at 30 June, 2006, the number of members is 23,215

NUMBER OF EMPLOYEES

As at 30 June, 2006, the number of employees is 126

Operating Report (Cont'd)

NATIONAL BOARD MEMBER'S PROFILES

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

Name	Position	Period
Tim Griffin	National President	2005/06
Dario Tomat	Senior Vice President	2005/06
Roberta Esbitt	National Secretary	2005/06
Colin Jones	National Treasurer	2005/06
Joe McKay	National Vice President	2005/06
Andreas Marquardt	National Vice President	2005/06
Jane Waldock	National Vice President	Elected March 2006
Nicole Campbell	National Vice President	Retired March 2006

NO MEMBERS OR OFFICERS ARE TRUSTEES OF A SUPERANNUATION ENTITY OR AN EXEMPT PUBLIC SECTOR SUPERANNUATION SCHEME

There are no members or officers of the organisation who are:-

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of superannuation entity or an exempt public sector superannuation scheme; and

where a criterion for the officer or member being a trustee or director is that the officer or member is an officer or member of a registered organisation.

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



T Griffin
National President



C Jones
National Treasurer

Dated 15 September 2006

South Melbourne, Victoria

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE NATIONAL BOARD OF THE
ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2006 there have been:-

- (i) no contraventions of the auditor independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Shay Arnold & Adams
Stannards, Accountants & Advisors


Michael Shulman
Partner


Nello Traficante
Partner

Dated 15/4/06

Income Statement
For the Period Ended 30 June 2006

	Note	Group		Chief Entity	
		2006	2005	2006	2005
		\$	\$	\$	\$
Subscription Income		8,116,595	7,181,534	8,116,595	7,181,534
Other Income from Ordinary Activities		10,433,823	9,683,770	10,027,554	3,008,727
Salary Costs Expense		18,550,418	16,865,304	11,144,149	10,190,261
Borrowing Costs Expense		(9,449,677)	(8,620,215)	(6,623,646)	(6,149,794)
Professional Network Costs		(299,436)	(360,724)	(269,189)	(329,005)
Other Expenses from Ordinary Activities		(298,441)	(284,691)	(298,441)	(284,691)
Profit before Income Tax	3	(8,436,999)	(7,444,773)	(3,903,218)	(3,279,628)
Income Tax Expense related to Profit	1(i),4	65,865	154,901	49,655	147,143
Profit after Income Tax		-	-	-	-
		65,865	154,901	49,655	147,143

Balance Sheet
as at 30 June 2006

	Note	Group 2006 \$	2005 \$	Chief Entity 2006 \$	2005 \$
Current Assets					
Cash and Cash Equivalents	5	1,678,465	1,793,730	1,241,098	1,793,730
Trade and Other Receivables	6	2,603,154	2,832,477	1,093,763	1,384,474
Other	7	269,279	108,947	237,698	101,271
Total Current Assets		4,550,898	4,735,154	2,572,559	3,279,475
Non Current Assets					
Trade and Other Receivables	6	-	-	3,167,738	2,572,643
Financial Assets	8	95,000	95,725	26	26
Property, Equipment & Vehicles	9	9,005,465	8,593,411	8,971,392	8,479,649
Intangibles	10	-	16,769	-	-
Total Non Current Assets		9,100,465	8,705,905	12,139,156	11,052,318
Total Assets		13,651,363	13,441,059	14,711,715	14,331,793
Current Liabilities					
Trade and Other Payables	11	5,136,562	5,259,133	4,032,702	3,969,445
Borrowings	12	2,118,597	2,147,582	2,118,597	2,147,582
Provisions	13	1,558,495	1,202,485	1,558,495	1,202,485
Total Current Liabilities		8,813,654	8,609,200	7,709,794	7,319,512
Non Current Liabilities					
Trade and Other Payables	11	-	-	-	-
Borrowings	12	260,577	320,592	260,577	320,592
Total Non Current Liabilities		260,577	320,592	260,577	320,592
Total Liabilities		9,074,231	8,929,792	7,970,371	7,640,104
Net Assets		4,577,132	4,511,267	6,741,344	6,691,689
Funds & Reserves					
Organisation Funds		1,092,089	1,026,224	3,256,301	3,206,646
Reserves		3,485,043	3,485,043	3,485,043	3,485,043
Total Funds & Reserves		4,577,132	4,511,267	6,741,344	6,691,689
Contingent Liabilities and Commitments	15				

**Statement of Changes in Organisation Funds & Reserves
For the Period Ended 30 June 2006**

	Organisation Funds \$	Reserves \$	Total \$
Group			
Balance – 1 July 2004	871,323	3,485,043	4,356,366
Profit attributable to members of chief entity	154,901	-	154,901
Balance – 30 June 2005	1,026,224	3,485,043	4,511,267
Profit attributable to members of chief entity	65,865	-	65,865
Balance – 30 June 2006	1,092,089	3,485,043	4,577,132
Chief Entity			
Balance – 1 July 2004	3,059,503	3,485,043	6,544,546
Profit for year	147,143	-	147,143
Balance – 30 June 2005	3,206,646	3,485,043	6,691,689
Profit for year	49,655	-	49,655
Balance – 30 June 2006	3,256,301	3,485,043	6,741,344

Cashflow Statement
For the Period Ended 30 June 2006

	Note	Group 2006 \$	2005 \$	Chief Entity 2006 \$	2005 \$
Cash from Operating Activities					
Cash receipts from customers		18,770,505	16,024,447	11,425,624	9,696,459
Cash payments to suppliers and employees		(17,253,910)	(15,001,320)	(9,780,023)	(8,466,432)
Net Cash Provided by Operating Activities	19(ii)	1,516,595	1,023,127	1,644,801	1,230,027
Cash from Investing Activities					
Lease Repayments - net		(89,000)	(119,985)	(89,000)	(119,985)
Proceeds – Bank Bills		-	-	-	-
Interest and Bank Charges		(299,436)	(360,724)	(269,189)	(329,005)
Interest Income		9,236	18,379	9,236	18,379
(Payments)/Receipts (To)/From Controlled Entities		-	-	(595,095)	(88,338)
Payments for Fixed Assets		(1,253,385)	(277,438)	(1,253,385)	(277,438)
Reduction in Investments and Deferred Costs		725	450,978	-	300,697
Net Cash Provided by Investing Activities		(1,631,860)	(288,790)	(2,197,433)	(495,690)
Net Increase/(Decrease) in Cash		(115,265)	734,337	(552,632)	734,337
Cash at the Beginning of the Period		1,793,730	1,059,393	1,793,730	1,059,393
Cash at the End of the Period	19(i)	1,678,465	1,793,730	1,241,098	1,793,730

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006**

1. ACCOUNTING METHODS & POLICIES

Basis of Preparation

The accounts which are a general purpose financial report have been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board. 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 Group'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 Group 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) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations, exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

1. ACCOUNTING METHODS & POLICIES (CONT'D)

Loans and Receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held to maturity Investments

These investments have fixed maturities, and it is the Group's intention to hold these investments to maturity. Any held to maturity investments held by the Group are stated at amortised cost using the effective interest rate method.

Available for sale financial assets

Available for sale financial assets include any financial asset not included in the above categories. Available for sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the Group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

e) Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

1. ACCOUNTING METHODS & POLICIES (CONT'D)

g) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rate applicable to the financial assets.

Revenue from the rendering of a service or delivery of goods is recognised upon the delivery of the service or goods to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

h) 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 balance sheet are shown inclusive of GST.

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

i) Comparative Figures

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

j) Other Financial Assets

In the separate financial statements of the chief entity, investments in controlled entities that are not classified as held for sale or included in a disposal group classified as held for sale, are accounted for at cost, as are other unlisted shares.

k) Employee Benefits

The provision for employee benefits in the form of wages, salaries and annual leave represents the amounts the Group 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 Group 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.

l) Income Tax

No provision for income tax has been raised as the chief entity being a trade union is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

The charge for current income tax expense for controlled entities is based on the profit/(loss) for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

1. ACCOUNTING METHODS & POLICIES (CONT'D)

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, when there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

m) Adoption of Australian Equivalents to International Financial Reporting Standards

The Group has adopted International Financial Reporting Standards in the current year. The entity's management assessed the significance of these changes, and there was no major impact on the entity's financial performance or financial position, as reported in these financial accounts.

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.
- 4) Part 9 of the Rules and Constitution of APESMA provide details of resignation from membership.

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

	Group		Chief Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
3. OPERATING RESULT BEFORE INCOME TAX HAS BEEN DETERMINED AFTER:-				
a) Crediting as Revenue				
Subscriptions	8,116,595	7,181,534	8,116,595	7,181,534
Interest	9,236	18,379	9,236	18,379
Other Income	10,424,587	9,665,391	3,018,318	2,990,348
	18,550,418	16,865,304	11,144,149	10,190,261
b) Charging as Expenses				
Affiliation Fees	145,268	200,973	145,268	200,973
Salaries & Allowances – Officers	-	-	-	-
Salaries & Allowances – Other	9,449,677	8,620,215	6,623,695	6,149,794
Meeting Expenses	138,467	217,248	138,467	127,356
Audit & Accounting Fees	25,427	27,500	20,791	15,000
Legal Fees	120,198	122,817	110,896	99,205
Members' Services & Support	6,599,400	6,261,169	2,175,966	2,233,167
Long Service Leave	43,735	497	43,735	497
Annual Leave	287,275	39,564	287,275	39,564
Interest and Bank Charges	299,436	360,724	269,189	329,005
Depreciation	841,331	496,185	761,642	490,271
Other Industrial Expenses	95,933	36,395	95,933	36,395
"Professional Network" Costs	298,441	284,691	298,441	284,691
Industrial Library	23,196	37,200	23,196	37,200
Impairment/ Amortisation of Goodwill	16,769	5,225	-	-
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:	849,852	854,715	-	-
5. CASH AND CASH EQUIVALENTS				
Cash at Bank	449,489	126,987	12,122	126,987
Cash on Hand	20,177	18,059	20,177	18,059
Cash on Deposit	1,208,799	1,648,684	1,208,799	1,648,684
	1,678,465	1,793,730	1,241,098	1,793,730

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

	Group		Chief Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
6. TRADE AND OTHER RECEIVABLES				
Current				
Subscriptions in Arrears	1,022,001	1,276,001	1,022,001	1,276,001
Provision for Non-Collectability	(49,001)	(49,001)	(49,001)	(49,001)
Net Subscriptions	973,000	1,227,000	973,000	1,227,000
Sundry Debtors	1,630,154	1,605,477	120,763	157,474
	2,603,154	2,832,477	1,093,763	1,384,474
Non Current				
Amounts Owed by Controlled Entities	-	-	3,167,738	2,572,643

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 generally required to be settled within 60 days.

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

Credit Risk

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

	Group		Chief Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
7. OTHER ASSETS				
Prepayments	269,279	108,947	237,698	101,271
8. FINANCIAL ASSETS				
Shares in Controlled Entities	-	-	26	26
Other Unlisted Shares	95,000	95,725	-	-
	95,000	95,725	26	26

Net Fair Values

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

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

	Group		Chief Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
9. PROPERTY, EQUIPMENT & VEHICLES				
Land and Buildings at National Board Valuation 30/06/04	7,213,011	7,213,011	7,213,011	7,213,011
Buildings at Cost	584,255	55,452	584,255	55,452
Total Land & Buildings	7,797,266	7,268,463	7,797,266	7,268,463
Accumulated Depreciation	(315,840)	(256,047)	(315,840)	(256,047)
	7,481,426	7,012,416	7,481,426	7,012,416
Office Equipment at Cost	4,293,706	4,071,500	4,249,611	3,911,594
Accumulated Depreciation	(3,437,841)	(3,100,204)	(3,427,819)	(3,029,291)
	855,865	971,296	821,792	882,303
Motor Vehicles at Cost	219,447	167,514	219,447	112,745
Accumulated Depreciation	(141,821)	(142,745)	(141,821)	(112,745)
	77,626	24,769	77,626	-
Motor Vehicles – Leased	869,721	906,848	869,721	906,848
Accumulated Amortisation	(279,173)	(321,918)	(279,173)	(321,918)
	590,548	584,930	590,548	584,930
Total Property, Equipment & Vehicles	9,005,465	8,593,411	8,971,392	8,479,649

The revaluation of freehold land and buildings in 2004 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.

	Group		Chief Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
Fixed Assets – start of year	8,593,411	8,812,158	8,479,649	8,692,482
Revaluation – Land and Buildings	-	-	-	-
Additions – net	1,253,385	277,438	1,253,385	277,438
Depreciation	(841,331)	(496,185)	(761,642)	(490,271)
Fixed Assets – end of year	9,005,465	8,593,411	8,971,392	8,479,649

	Group		Chief Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
10. INTANGIBLES				
Goodwill	104,056	104,056	-	-
Accumulated Amortisation/Impairment	(104,056)	(87,287)	-	-
		16,769		-

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

	Group		Chief Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
11. TRADE AND OTHER PAYABLES				
Current				
Sundry Creditors	840,620	1,051,892	555,123	776,563
Prepaid Subscriptions & Fees	4,135,862	4,207,241	3,317,499	3,192,882
Building APESMA Future	160,080	-	160,080	-
	5,136,562	5,259,133	4,032,702	3,969,445
Non Current				
Amounts Owed to Controlled Entities		-	-	-
		-	-	-
12. BORROWINGS				
Current				
Bank Bills	2,000,000	2,000,000	2,000,000	2,000,000
Lease Liabilities	118,597	147,582	118,597	147,582
	2,118,597	2,147,582	2,118,597	2,147,582
Non Current				
Lease Liabilities	257,575	317,590	257,575	317,590
Debentures	3,002	3,002	3,002	3,002
	260,577	320,592	260,577	320,592

Sundry Creditors and Prepaid Subscriptions & Fees

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

Bank Bills, Debentures and Amounts Owed to Controlled Entities

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

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

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

	Group		Chief Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
13. PROVISIONS				
Current				
Long Service Leave	262,000	193,265	262,000	193,265
Annual Leave	1,296,495	1,009,220	1,296,495	1,009,220
	1,558,495	1,202,485	1,558,495	1,202,485

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.

	Group		Chief Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
14. RESERVES				
Capital Profits Reserve				
Balance as at start and end of year	144,184	144,184	144,184	144,184
Property Revaluation Reserve				
Balance as at start and end of year	2,795,064	2,795,064	2,795,064	2,795,064
Asset Realisation Reserve				
Balance as at start and end of year	451,777	451,777	451,777	451,777
General Reserve				
Balance as at start and end of year	94,018	94,018	94,018	94,018
Total Reserves	3,485,043	3,485,043	3,485,043	3,485,043
15. CONTINGENT LIABILITIES 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	137,000	177,000	137,000	177,000
1-5 years	269,172	328,172	269,172	328,172
Gross Lease Payments	406,172	505,172	406,172	505,172
Less Future Finance Charges	30,000	40,000	30,000	40,000
Lease Liabilities	376,172	465,172	376,172	465,172
Current	118,597	147,582	118,597	147,582
Non Current	257,575	317,590	257,575	317,590
Lease Liabilities	376,172	465,172	376,172	465,172

**Notes To the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

	Chief Entity Investment		Equity Holding		Contributions to Group Profit & Loss	
	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$
16. CONTROLLED ENTITIES						
Chief Entity						
Association of Professional Engineers, Scientists & Managers, Australia					49,655	147,143
Controlled Entities						
Member Advantage Pty Ltd	2	2	100	100		-
ETM Placements Pty Ltd	10	10	100	100	(116,478)	4,503
Education and Training for Professionals Pty Ltd	2	2	100	100	118,590	3,126
APESMA Insurance Services Pty Ltd	2	2	100	100		-
Engineering Placements Pty Ltd	-	-	100	100		-
Chifley Business School Pty Ltd	10	10	100	100	14,098	129
	26	26	n/a	n/a	65,865	154,901

No dividends were received or are receivable from controlled entities this year. All investments are in ordinary shares and all controlled entities were incorporated and are domiciled in Australia.

	Group		Chief Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
17. EMPLOYEE BENEFITS				
Aggregate employee benefits including on-costs:				
Annual Leave and Long Service Leave	1,558,495	1,202,485	1,558,495	1,202,485
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	3	3	3	3
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 2006 (Cont'd)**

18. ADDITIONAL FINANCIAL DISCLOSURES

a) Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, loans to and from controlled entities and trade payables.

The main purpose of non derivative financial instruments is to raise finance for operations.

i. Treasury Risk Management

The board analyses currency and interest rate exposure and evaluates treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

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:-

30 June 2006						
Assets:						
Cash	4.55	1,678,465	-	-	-	1,678,465
Subscriptions and Sundry Debtors		-	-	-	2,603,154	2,603,154
Shares and other equity securities		-	-	-	95,000	95,000
		1,678,465	-	-	2,698,154	4,376,619

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

18. ADDITIONAL FINANCIAL DISCLOSURES (CONT'D)

Liabilities:							
Leases	6.80	-	118,597	257,575	-	-	376,172
Sundry Creditors and Prepaid Subscriptions and Fees		-	-	-	-	5,136,562	5,136,562
Bank bills	5.70	-	2,000,000	-	-	-	2,000,000
Employee entitlements & Debentures		-	-	-	-	1,561,497	1,561,497
		-	2,118,597	257,575	-	6,698,059	9,074,231
Net financial (liabilities)		1,678,465	(2,118,597)	(257,575)		(3,999,905)	(4,697,612)
30 June 2005							
Total financial assets		1,793,730	-	-		2,832,471	4,626,201
Total financial liabilities		-	2,147,582	317,590		6,464,620	8,929,792
Net financial (liabilities)		1,793,730	(2,147,582)	(317,590)		(3,632,149)	(4,303,591)

b) 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
- Other asset and liabilities approximate their carrying values

	Carrying Amount 2006 \$	Fair Value 2006 \$
Financial assets		
Cash	1,678,465	1,678,465
Receivables	2,603,154	2,603,154
Financial liabilities		
Payables	5,136,562	5,136,562
Borrowings	2,379,174	2,379,174

	Carrying Amount 2005 \$	Fair Value 2005 \$
Financial assets		
Cash	1,793,730	1,793,730
Receivables	2,832,471	2,832,471
Financial liabilities		
Payables	5,259,133	5,259,133
Borrowings	2,465,174	2,465,174

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

	Group		Chief Entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
19. NOTES TO THE CASH FLOW STATEMENTS				
i) Cash comprises cash on hand and at bank, net of outstanding bank overdrafts, as follows:—				
Cash	1,678,465	1,793,730	1,241,098	1,793,730
Bank Overdraft	-	-	-	-
	1,678,465	1,793,730	1,241,098	1,793,730
ii) Reconciliation of Operating Profit/(Loss) after Income Tax to net cash provided by Operating Activities				
Operating Profit/(Loss) after Income Tax	65,865	154,901	49,655	147,143
Add/Less Non cash and investing items				
Depreciation	841,331	496,185	761,642	490,271
Interest and Bank Charges	299,436	360,724	269,189	329,005
Employee Entitlements	356,010	40,061	356,010	40,061
Amortisation of Goodwill/Deferred Costs	16,769	78,455	-	-
Interest Income	(9,236)	(18,379)	(9,236)	(18,379)
	1,570,175	1,111,946	1,427,260	988,101
(Increase)/Decrease in Operating Assets, net of assets acquired through amalgamation				
Subscriptions	254,000	(384,000)	254,000	(384,000)
Sundry Debtors	(24,677)	(438,478)	36,711	(91,423)
Prepayments	(160,332)	108,193	(136,427)	81,137
	1,639,166	397,661	1,581,544	593,815
Increase/(Decrease) in Operating Liabilities, net of liabilities assumed through amalgamation				
Creditors and Other Payables	(122,571)	625,466	63,257	636,212
	1,516,595	1,023,127	1,644,801	1,230,027

iii) The Group has bill and bank overdraft facilities of \$5.075 million as at 30 June 2006 which were utilized to the extent of \$2.0 million. These facilities are subject to annual review (the next review date being May 2007).

**Notes to the Consolidated Annual Accounts
For the Period Ended 30 June 2006 (Cont'd)**

20. RELATED PARTIES

The Operating Report contains the names of all National Board members.

The chief entity received management fees this year of \$0.962 million (on normal commercial terms and conditions) for services rendered to controlled entities.

21. 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 and general industrial matters.

22. LEVIES

Subscription income as disclosed in note 3 includes a compulsory levy payable at a rate of \$380 per full time member of the Collieries' Staff Division in respect of a legal defence fund. For the year, such levies totaled approximately \$0.67 million. At 30 June, 2006, the legal defence fund which is administered by independent trustees has a balance of \$3.025 million.

National Board Statement

On 15 September 2006 the National Board of the Association of Professional Engineers, Scientists & Managers, Australia passed the following resolution in relation to the financial report of the reporting unit for the financial year ended 30 June, 2006:—

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

- (a) the financial statements and notes comply with the Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (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 reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the financial report relates and since the end of that year:
 - (i) meetings of the reporting unit were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- (f) in relation to recovery of wage activity, there has been no recovery of wages activity during the year.

On behalf of the National Board



T Griffin
National President



C Jones
National Treasurer

Dated: 15 September 2006

South Melbourne, Victoria



STANNARDS

Accountants and Advisors

Partners

Marino Angelini, CA
Michael Shulman, CA
Philip Shulman, CPA
Nello Traficante, CPA
Justin Bramley, CPA
Jason Wall, CA

Consultant

David Stannard, CA

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

SCOPE

The Financial report and National Board's responsibility

The financial report comprises the income statement, balance sheet, statement of changes in equity, statement of cash flows, and accompanying notes to the financial statements for the year ended 30 June 2006.

The National Board is responsible for the preparation and true and fair presentation of the financial report in accordance with the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have audited the financial statements of the Association of Professional Engineers, Scientists and Managers, Australia ("the Association") for the financial year ended 30 June, 2006. The financial statements include the consolidated accounts of the Group comprising the Association of Professional Engineers, Scientists and Managers, Australia, and the entities it controlled at 30 June, 2006 or from time to time during the financial year. 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 Group'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.

INDEPENDENCE

In accordance with ASIC Class Order 05/83, we declare that to the best of our knowledge and belief, that the auditor's independence declaration set out in this the financial report, has not been changed as at the date of providing our audit opinion.




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

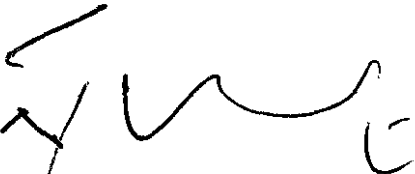
AUDIT OPINION

In our opinion:-

- i) there were kept by the Group 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 Group 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, Accounting Standards, other mandatory professional reporting requirements and the reporting guidelines and any other requirements of Chapter 8, Part 3 of the RAO Schedule, are properly drawn up so as to give a true and fair view of:
 - a) the financial affairs of the Group and the Association as at 30 June, 2006;
 - b) the income and expenditure and net result of the Group 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 Group and the Association were required to provide.



M Shulman
Partner (CA)



N Trafficante
Partner (CPA)

Dated: 15/11/06

South Melbourne, Victoria

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

CONCISE FINANCIAL STATEMENTS

30 JUNE 2006

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

OPERATING REPORT

The National Board present the report of the economic entity (APESMA Group) consisting of the Association of Professional Engineers, Scientists & Managers, Australia and the entities it controlled at the end or during the year ended 30 June 2006.

PRINCIPAL ACTIVITY

The principal activity during the financial year was to provide industrial services and advance the employment, social and economic interests of members. There has been no significant change in the nature of these activities during the year.

RESULTS OF OPERATION

The Group net result for the year was a net surplus of \$65,865 (2005: Net surplus of \$154,901).

REVIEW OF OPERATION

Overall group revenues increased during the year. Income from other activities also increased. Expenditure levels also increased resulting in the reduced surplus for the year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the year.

Since balance date, the National Board is not aware of any events which would impact the operating results reported by the Group, and/or its future operations or state of affairs.

RIGHTS OF MEMBERS TO RESIGN

Members have the right to resign from the Association by forwarding a written statement addressed and delivered to the person designated in the rules of the organisation or a branch of the organisation.

NATIONAL BOARD MEMBER'S PROFILES

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

Name	Position	Period
Tim Griffin	National President	2005/06
Dario Tomat	Senior Vice President	2005/06
Andreas Marquardt	National Vice President	2005/06
Colin Jones	National Treasurer	2005/06
Joe McKay	National Vice President	2005/06
Roberta Esbitt	National Secretary	2005/06
Jane Waldock	National Vice President	Elected March 2006
Nicole Campbell	National Vice President	Retired March 2006

NUMBER OF MEMBERS

As at 30 June, 2006, the number of members is 23,215.

NUMBER OF EMPLOYEES

As at 30 June, 2006, the number of employees is 126.

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

Operating Report (Cont'd)

**NO MEMBERS OR OFFICERS ARE TRUSTEES OF A SUPERANNUATION ENTITY OR AN
EXEMPT PUBLIC SECTOR SUPERANNUATION SCHEME**

There are no members or officers of the organisation who are:-

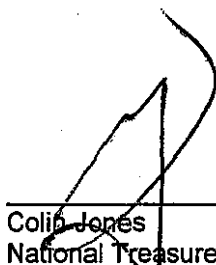
- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme;
or
- (ii) a director of a company that is a trustee of superannuation entity or an exempt public
sector superannuation scheme; and

where a criterion for the officer or member being a trustee or director is that the officer or member is
an officer or member of a registered organisation.

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



Tim Griffin
National President



Colin Jones
National Treasurer

Dated in South Melbourne, Victoria
15 September 2006.

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

**Balance Sheet
as at 30 June 2006**

	Group		Chief Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
Current Assets	4,550,898	4,735,154	2,572,559	3,279,475
Non Current Assets	9,100,465	8,705,905	12,139,156	11,052,318
Total Assets	13,651,363	13,441,059	14,711,715	14,331,793
Current Liabilities	8,813,654	8,609,200	7,709,794	7,319,512
Non Current Liabilities	260,577	320,592	260,577	320,592
Total Liabilities	9,074,231	8,929,792	7,970,371	7,640,104
Net Assets	4,577,132	4,511,267	6,741,344	6,691,689
Funds & Reserves				
Organisation Funds	1,092,089	1,026,224	3,256,301	3,206,646
Reserves	3,485,043	3,485,043	3,485,043	3,485,043
Total Funds & Reserves	4,577,132	4,511,267	6,741,344	6,691,689

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Income Statement
For the Period Ended 30 June 2006**

	Group		Chief Entity	
	2006 \$	2005 \$	2006 \$	2005 \$
Member Subscriptions	8,116,595	7,181,534	8,116,595	7,181,534
Other Income	10,433,823	9,683,770	3,027,554	3,008,727
Total Income	18,550,418	16,865,304	11,144,149	10,190,261
Less Expenditure	(16,484,553)	(16,710,403)	(11,094,494)	(10,043,118)
Profit before income tax	65,865	154,901	49,655	147,143
Income Tax	-	-	-	-
Profit after income tax	65,865	154,901	49,655	147,143

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Statement of Changes in Organisation Funds and Reserves
For the Period Ended 30 June 2006**

	Organisation Funds \$	Reserves \$	Total \$
Group			
Balance – 1 July 2004	871,323	3,485,043	4,356,366
Profit attributable to members of chief entity	154,901	-	154,901
Balance – 30 June 2005	1,026,224	3,485,043	4,511,267
Profit attributable to members of chief entity	65,865	-	65,865
Balance – 30 June 2006	1,092,089	3,485,043	4,577,132
Chief Entity			
Balance – 1 July 2004	3,059,503	3,485,043	6,544,546
Profit for year	147,143	-	147,143
Balance – 30 June 2005	3,206,646	3,485,043	6,691,689
Profit for year	49,655	-	49,655
Balance – 30 June 2006	3,256,301	3,485,043	6,741,344

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

**Statement of Cashflows
For the Period Ended 30 June 2006**

	Group		Chief Entity	
	2006	2005 \$	2006 \$	2005 \$
Cash receipts from customers	18,770,505	16,024,447	11,425,624	9,696,459
Cash payments to employees and suppliers	(17,253,910)	(15,001,320)	(9,780,023)	(8,466,432)
Net Cash Provided by Operating Activities	1,516,595	1,023,127	1,644,801	1,230,027
Net Cash (Used In) Investing Activities	(1,631,860)	(288,790)	(2,197,433)	(495,690)
Net Increase/(Decrease) in Cash	(115,265)	734,337	(552,632)	734,337
Cash at the Beginning of the Period	1,793,730	1,059,393	1,793,730	1,059,393
Cash at the End of the Period	1,678,465	1,793,730	1,241,098	1,793,730

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA

Notes to the Concise Financial Statements For the Period Ended 30 June 2006

1. BASIS OF PREPARATION

The accounting policies adopted by the Association are detailed in its Full Financial Report. This report has been derived from the full financial report and cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the Association, as could the full financial report.

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 by contacting the Member Services division. The report can also be accessed on the internet at www.apesma.asn.au.

Certificates required to be given under the Act by the National Board have been completed in accordance with the provisions of the Act and they 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.
- (4) Part 9 of the Rules and Constitution of APESMA provide details of resignation from membership.

3. OPERATING REVENUE

The group result of the Association is a surplus of \$65,865 (2005: surplus of \$154,901). Total revenues increased during the year as did expenditure.

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

NATIONAL BOARD STATEMENT

On 15 September, 2006 the National Board of the Association of Professional Engineers, Scientists & Managers, Australia passed the following resolution in relation to the financial report of the reporting unit for the financial year ended 30 June, 2006:-

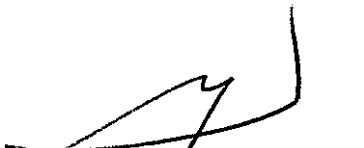
The National Board declares in relation to the financial report that in its opinion:

- (a) the financial statements and notes comply with Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (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 reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the financial report relates and since the end of that year:
 - (i) meetings of the National Board were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- (f) in relation to recovery of wage activity, there has been no recovery of wages activity during the year.

On behalf of the National Board



Tim Griffin
National President



Colin Jones
National Treasurer

Dated: 15 September 2006

Melbourne, Victoria

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

NATIONAL BOARD DECLARATION

The National Board of the Association of Professional Engineers, Scientists & Managers, Australia declare that concise financial report set out on pages 1 to 8:

- a) has been derived from and is consistent with the full financial report of the Association of Professional Engineers, Scientists & Managers, Australia, and
- b) complies with Accounting Standard AASB 1039 "Concise Financial Reports".

Signed on behalf of the National Board



Tim Griffin
National President



Colin Jones
National Treasurer

Dated: 15 September 2006

South Melbourne, Victoria

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

SCOPE

We have audited the concise financial statements of the Association for the year ended 30 June, 2006 as set out on pages 3 to 9 in order to express an opinion on it to the members of the Association. The Association's National Board are responsible for the concise financial statements.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the concise 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, 2006. Our audit report on the full financial report was signed on August, 2006 and was not subject to any qualification.

Our procedures in respect of the audit of the concise 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 concise 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.

INDEPENDENCE DECLARATION

In accordance with ASIC Class Order 05/83, we declare that to the best of our knowledge and belief, the auditor's independence declaration contained in the full financial report, has not been changed as at the date of providing this opinion.

AUDIT OPINION

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


M Shuffman (CA)
Partner


N Traficante (CPA)
Partner

Dated: 15 / 9 / 2006

Melbourne, Victoria