



14 November 2014

Ms Robyn Porter
Secretary
The Association of Professional Engineers, Scientists and Managers, Australia
Sent by email: eRomer@professionalsaustralia.org.au

Dear Ms Porter

Re: The Association of Professional Engineers, Scientists and Managers, Australia - Lodgement of Financial report for the year ended 30 June 2014 - (FR2014/274)

I refer to the above financial report of the Association of Professional Engineers, Scientists and Managers, Australia which was lodged with the Fair Work Commission on 4 November 2014.

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

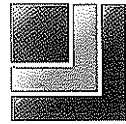
Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

If you have any queries regarding this letter, I may be contacted on (02) [REDACTED] or by email at stephen.kellett@fwc.gov.au.

Yours sincerely

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Mr Evan Romer, Chief Finance Officer



**Professionals
Australia**

GPO Box 1272,
Melbourne,
Victoria 3001.

4 November 2014

Mr Robert Pfeiffer
Senior Advisor
Regulatory Compliance Branch
Fair Work Commission
GPO Box 1994
Melbourne VIC 3001

Dear Mr Pfeiffer

**Re: Lodgement of Financial Accounts & Statements – Association Professional Engineers,
Scientists & Managers Australia – for year ending 30 June 2014**

Please find attached a copy of the audited financial accounts & statements for the year ended 30 June 2014 and note the following:

I, Robyn Porter being the secretary of the Association Professional Engineers, Scientists & Managers Australia (APESMA) certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members on 2 October 2014; and
- that the full report was presented to a general meeting of members of the reporting unit on 25 October 2013; in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

If you have any queries or wish to discuss further, please do not hesitate to contact our Chief Finance Officer, Evan Romer on 03 9695 8859.

Yours sincerely

Robyn Porter
Secretary
APESMA

**THE ASSOCIATION OF PROFESSIONAL
ENGINEERS, SCIENTISTS &
MANAGERS, AUSTRALIA**
(Trading as Professionals Australia)
ABN 99 589 872 974
&
CONTROLLED ENTITIES

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014**

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

Operating Report

For the year ended 30 June 2014

The National Board presents the report of the Group (APESMA Group) consisting of the Association of Professional Engineers, Scientists & Managers, Australia trading as Professionals Australia and the entities it controlled at the end or during the year ended 30 June 2014.

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's result for the year was a loss after providing for income tax of \$51,704 (2013: profit of \$3,924,799).

REVIEW OF OPERATION

Group

For the 2014 year, the Group continued to provide individual services, and to advance employment, social and economic interests of members. Overall, the Group's revenue increased by \$0.419 million, whilst expenditure increased by \$1.445 million. The Group has net assets of \$15.708 million, primarily land, plant and cash reserves.

An overview of each operation is set out below.

Chief Entity

The group financial performance during the year which again encompassed member and industrial services was underpinned by an increase in revenue of \$0.316 million from \$12.678 million to \$12.994 million. Total subscription revenues decreased from \$10.636 million to \$10.422 million this year. Other income increased from \$2.043 million to \$2.572 million. Overall expenditure increased by \$1.313 million during the year, which includes a provision for doubtful debts of \$1.299 million in respect to the balance receivable from the sale of the Chifley business in 2013 (\$1.2 million) and other receivable balances.

Throughout 2013/2014 the Association in addition to bargaining on behalf of members and supporting members with their individual issues and grievances was involved in a number of major activities in the pursuance of its campaigning, organising and legal/industrial objectives.

Some of these activities included:

Pharmacy Campaign – The Association's on-going campaign to improve the status of retail pharmacists has been a very important focus. Professional pharmacists are amongst the lowest paid professions and the Association believes that improvements in salaries and conditions of employment for this group is a major priority.

Translators and Interpreters (TI's) – Following a decision by the Australian Competition and Consumers Commission (ACCC) the Association on behalf of its members who are TI's and employed as independent contractors can now negotiate collectively on pay rates and conditions of employment. Such a decision is very rare and

APESMA v Wollongong Coal Pty Ltd – The Collieries Staff Division of the Association ran a successful case in which it was held that a failure to pay bonuses to a group of employees amounted to a breach of s.323 of the Fair Work Act which contains a requirement that an employee must be paid all amounts in relation to the performance of work. The significance of this is that the claim arose out of a contract of employment not an industrial instrument such as an award or enterprise agreement.

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

Operating Report For the year ended 30 June 2014

Modern Award Review – The 4 yearly review of Modern Awards commenced in early 2014. This review which is likely to take 2 years is a major exercise whereby every Modern Award is to be reviewed and provides an opportunity to improve the award safety net which along with the NES (National Employment Standards) underpins both collective and individual bargaining. For approximately 40% of the Association's members the relevant Modern Award and NES is the sole safety net as these members are not covered by enterprise agreements.

Registered Professional Engineer (R.P Eng.) – In a development of great significance the Association has established its own Professional Engineers Registration Scheme (R.P Eng.) In addition the Association has been approved to operate an assessment scheme for the Queensland Board of Professional Engineers as one of the service providers in this area.

Advocacy – Fundamental changes to the Association's governance structure has resulted in the establishment of the Professional Engineers and Professional Scientists Divisions from February 2014. Both these new Divisions have developed strategic plans and have embarked on a number of initiatives. For instance the Professional Engineers Division has been involved in establishing assessment committees for the R.P.Eng and in supporting the campaigns around infrastructure.

Member Advantage

Member Advantage generated a net profit after income tax of \$15,413 (2013: net profit of \$3,419). Total revenue increased by \$103,679 whilst expenditure increased by \$85,190.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the Group's state of affairs occurred during the financial year.

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 members to resign.

NATIONAL BOARD MEMBER'S PROFILES

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

Name	Position	Period
Bill Jackson	National President	2013/14
Robyn Porter	National Secretary	2013/14
Olaf Reinhold	National Treasurer	2013/14
Andrew Russack	Senior Vice President	2013/14
Maria Fuchs	Vice President	2013/14
Zaneta Mascarenhas	Vice President	Resigned 28 February 2014
Andreas Marquardt	Vice President	2013/14
Col Hackney	Vice President	Appointed 1 March 2014

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

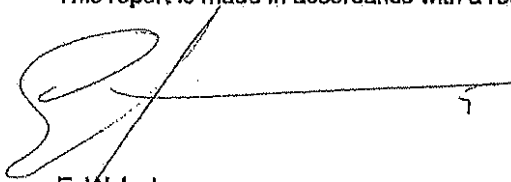
**Operating Report
For the year ended 30 June 2014
NUMBER OF MEMBERS**

As at 30 June 2014 the number of members was 22,838 (2013: 22,537).

NUMBER OF EMPLOYEES

As at 30 June 2014 the number of employees was 112 (2013: 103).

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



E. W. Jackson
National President



O. Reinhold
National Treasurer

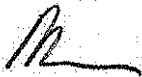
Dated 2nd October 2014, South Melbourne, Victoria

Auditor's Independence Declaration

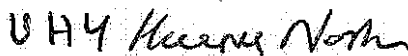
To the Members of the Association of Professional Engineers, Scientists and Managers, Australia and Controlled Entities:

As engagement partner for the audit of the Association of Professional Engineers, Scientists and Managers, Australia and Controlled Entities for the year ended 30 June 2014. I declare that, to the best of my knowledge and belief, there have been:

- i. No contraventions of the independence requirements of Australian professional ethical pronouncements in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.



R. H. Hutton
Partner



UHY Haines Norton
Chartered Accountants

Melbourne

Dated this 2nd day of October 2014

**Statement of Comprehensive Income
for the Year Ended 30 June 2014**

	Note	Group		Chief Entity	
		2014	2013	2014	2013
		\$	\$	\$	\$
Continuing Operations:					
Revenue					
Subscription Income	2	10,422,304	10,635,555	10,422,304	10,635,555
Other Income	2	4,177,022	3,544,258	2,571,690	2,042,605
	2	14,599,326	14,179,813	12,993,994	12,678,160
Expenses					
Employment Costs	2	(9,029,091)	(8,565,920)	(8,245,071)	(7,922,691)
Borrowing Costs	2	(235,474)	(293,046)	(235,474)	(293,046)
Professional Network Costs	2	(67,041)	(181,372)	(67,041)	(181,372)
Other Expenses	2	(5,312,818)	(4,158,829)	(4,513,525)	(3,351,141)
		(14,644,424)	(13,199,167)	(13,061,111)	(11,748,250)
Profit/(Loss) before Income Tax Expense					
Income Tax Expense	1(m),3	(45,098)	980,646	(67,117)	929,910
		(6,606)	(39)	-	-
Net Profit/(Loss) from Continuing Operations after Income Tax Expense		(51,704)	980,607	(67,117)	929,910
Discontinued Operations:					
Profit/(loss) from Discontinued Operations after Income Tax Expense	26	-	2,944,192	-	2,396,990
Net Profit/(Loss) for the Year		(51,704)	3,924,799	(67,117)	3,326,900
Other comprehensive income/(expenses)		-	-	-	-
Total Comprehensive income/(loss) for the Year		(51,704)	3,924,799	(67,117)	3,326,900

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes on pages 11 to 37.

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

**Statement of Financial Position
as at 30 June 2014**

	Note	Group		Chief Entity	
		2014	2013	2014	2013
		\$	\$	\$	\$
Current Assets					
Cash and Cash Equivalents	4	2,052,170	3,566,344	1,743,097	2,631,024
Trade and Other Receivables	5	467,502	399,700	134,555	93,536
Other Assets	6	78,415	124,544	78,415	124,544
Financial Assets	7	7,760,398	6,153,822	7,760,398	6,153,822
Current Tax Assets		-	14,219	-	-
Total Current Assets		10,358,485	10,258,629	9,716,465	9,002,926
Non-Current Assets					
Trade and Other Receivables	5	-	1,200,000	310,563	2,107,245
Financial Assets	7	-	2,062	21	2,095
Property, Plant & Equipment	8	12,497,601	11,560,875	12,497,601	11,560,875
Intangible Assets	9	36,529	65,989	36,529	65,989
Total Non-Current Assets		12,534,130	12,828,926	12,844,714	13,736,204
Total Assets		22,892,615	23,087,555	22,561,179	22,739,130
Current Liabilities					
Trade and Other Payables	10	3,215,052	3,498,513	3,596,634	3,841,087
Borrowings	11	2,000,000	2,018,248	2,000,000	2,018,248
Current Tax Liabilities		6,606	-	-	-
Employee Provisions	12	1,545,025	1,439,820	1,545,025	1,439,820
Total Current Liabilities		6,766,683	6,956,581	7,141,659	7,299,155
Non-Current Liabilities					
Employee Provisions	12	417,572	370,910	417,572	370,910
Total Non-Current Liabilities		417,572	370,910	417,572	370,910
Total Liabilities		7,184,255	7,327,491	7,559,231	7,670,065
Net Assets		15,708,360	15,760,064	15,001,948	15,069,065
Member Funds & Reserves					
Organisation Funds		(1,215,319)	(65,205)	(1,921,731)	(756,204)
Reserves	13	16,923,679	15,825,269	16,923,679	15,825,269
Total Member Funds & Reserves		15,708,360	15,760,064	15,001,948	15,069,065
Commitments	14				
Contingent Assets & Liabilities	22				

The above Statement of Financial Position should be read in conjunction with the accompanying notes on pages 11 to 37.

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

*Statement of Changes in Equity
for the Year Ended 30 June 2014*

	Note	Organisation Funds	Reserves	Total
		\$	\$	\$
Group Entity				
Balance – 30 June 2012		(4,157,949)	15,993,214	11,835,265
Net Profit/(Loss) for the year		3,924,799	-	3,924,799
		(233,150)	15,993,214	15,760,064
Other Comprehensive Income for the year		-	-	-
Transfer to Legal Defence Fund (CSD)	13	(747,301)	747,301	-
Transfer from Reserves	13	915,246	(915,246)	-
Closing Member Funds at 30 June 2013		(65,205)	15,825,269	15,760,064
Net Profit/(Loss) for the year		(51,704)	-	(51,704)
		(116,909)	15,825,269	15,708,360
Other Comprehensive Income for the year		-	-	-
Transfer to Legal Defence Fund (CSD)	13	(1,098,410)	1,098,410	-
Transfer from Reserves	13	-	-	-
Closing Member Funds at 30 June 2014		(1,215,319)	16,923,679	15,708,360
Chief Entity				
Balance – 30 June 2012		(4,251,049)	15,993,214	11,742,165
Net Profit/(Loss) for the year		3,326,900	-	3,326,900
		(924,149)	15,993,214	15,069,065
Other Comprehensive Income for the year		-	-	-
Transfer to Legal Defence Fund (CSD)	13	(747,301)	747,301	-
Transfer from Reserves	13	915,246	(915,246)	-
Closing Member Funds at 30 June 2013		(756,204)	15,825,269	15,069,065
Net Profit/(Loss) for the year		(67,117)	-	(67,117)
		(823,321)	15,825,269	15,001,948
Other Comprehensive Income for the year		-	-	-
Transfer to Legal Defence Fund (CSD)	13	(1,098,410)	1,098,410	-
Transfer from Reserves	13	-	-	-
Closing Member Funds at 30 June 2014		(1,921,731)	16,923,679	15,001,948

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes on pages 11 to 37.

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

**Statement of Cash Flows
for the Year Ended 30 June 2014**

	Note	Group 2014 \$	2013 \$	Chief Entity 2014 \$	2013 \$
Cash Flows from Operating Activities					
Cash receipts from customers		14,517,108	15,702,833	12,093,508	12,030,043
Receipts from other reporting units/controlled entity		300,000	-	925,000	625,000
Cash payments to suppliers		(5,568,341)	(6,565,443)	(4,509,989)	(3,768,835)
Cash payments to employees		(8,875,162)	(8,722,438)	(8,091,130)	(8,079,209)
Payments to other reporting units		-	-	-	-
Interest and bank charges		(235,474)	(293,046)	(235,474)	(293,046)
Interest and investment income		320,929	294,263	320,929	294,263
Income tax (paid)/refund		14,219	(14,258)	-	-
Net Cash Provided/(Used) by Operating Activities	20(ii)	473,279	401,911	502,844	808,216
Cash Flows from Investing Activities					
Rental Income		558,239	615,612	558,239	615,612
Purchase of Fixed Assets & Intangible Assets		(1,090,035)	(218,289)	(1,090,035)	(218,289)
Proceeds from Sale of Fixed Assets		21,576	29,576	21,576	29,576
Proceeds from Disposal of Subsidiary/others	20(iv)	-	1,574,544	-	1,872,000
Purchase of Investments		(1,458,985)	(451,509)	(1,458,985)	(451,509)
Net Cash Provided/(Used) by Investing Activities		(1,969,205)	1,549,934	(1,969,205)	1,847,390
Cash Flows from Financing Activities					
Lease Payments		(18,248)	(37,719)	(18,248)	(37,719)
Proceeds from Borrowings		-	-	-	-
Repayment of Borrowings		-	(1,200,000)	-	(1,200,000)
Loan (Repayments)Receipts Controlled Entities		-	-	596,682	(375,550)
Net Cash Provided/(Used) by Financing Activities		(18,248)	(1,237,719)	578,434	(1,613,269)
Net Increase/(Decrease) in Cash and Cash Equivalents at the Beginning of the Year		(1,514,174)	714,126	(887,927)	1,042,337
Cash and Cash Equivalents at the End of the Year	20(i)	2,052,170	3,566,344	1,743,097	2,631,024

The above Statement of Cash Flows should be read in conjunction with the accompanying notes on pages 11 to 37.

**Recovery of Wages Activity
for the Year Ended 30 June 2014**

	2014 \$	2013 \$
Cash Assets in respect of recovered money at beginning of the year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest Received on recovered money	-	-
Total Receipts	<u>-</u>	<u>-</u>
Payments		
Deductions of amounts due in respect of membership	-	-
Deductions of donations or other contributions to accounts or funds	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total Payments	<u>-</u>	<u>-</u>
Cash assets in respect of recovered money at the end of the year	<u>-</u>	<u>-</u>
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-

Fund or account operated for recovery of wages

There has been no fund or account operated and no monies invested in any assets in respect to recovery of wages.

The above Statement should be read in conjunction
with the accompanying notes on pages 11 to 37.

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

1. ACCOUNTING METHODS & POLICIES

Basis of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ((AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009*. 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. Compliance with Australian Accounting Standards means that the Financial Statements and notes also comply with International Financial Reporting Standards. The accounting policies have been consistently applied, unless otherwise stated. The financial statements are presented in Australian dollars.

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

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

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining their recoverable amounts.

Depreciation

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

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

1. ACCOUNTING METHODS & POLICIES CONT'D

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.

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 assesses 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.

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

1. ACCOUNTING METHODS & POLICIES CONT'D

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 statement of financial position.

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 statement of financial position are shown inclusive of GST.

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

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.

**Notes to the Consolidated Annual Accounts
For the Year Ended 30 June 2014**

1. ACCOUNTING METHODS & POLICIES (CONT'D)

k) Employee Benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

Entitlements of employees of the Group are the legal responsibility of the Chief Entity, APESMA.

l) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

m) 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. There was no impact from this change on the profit after income tax.

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.

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.

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

1. ACCOUNTING METHODS & POLICIES(CONT'D)

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.

n) Subscription Income

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Prepaid subscription income represents subscriptions received in advance from "full account paying" members.

o) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

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

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

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

1. ACCOUNTING METHODS & POLICIES (CONT'D)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

p) New and Amended Accounting Policies Adopted by the Group

Employee benefits

The Group adopted AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) from the mandatory application date of 1 January 2013. The Group has applied these Standards retrospectively in accordance with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors and the transitional provisions of AASB 119 (September 2011).

For the purpose of measurement, AASB 119 (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. Previously, annual leave satisfied the definition of short-term employee benefits and therefore the leave liability was measured on an undiscounted basis at the amounts expected to be paid when the liability is settled. However, under AASB 119 (September 2011), as the Group expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the following 12-month period, obligations for annual leave entitlements meet the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

Note, however, that these changes do not impact the classification of leave entitlements between current and non-current liabilities in the statement of financial position. The change in accounting policy had no material impact on the parent entity's separate financial statements.

q) Information to be provided to Members or General Manager

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

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

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

1. ACCOUNTING METHODS & POLICIES (CONT'D)

r) Adoption of New and Revised Accounting Standards

During the current year, the Group has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to the operations which become mandatory.

The impact of these Accounting Standards are assessed as having no material impact on the financial reports.

s) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods and which the Group has decided not to early adopt.

The expected impact of these Accounting Standards issued but not yet operative at 30 June 2014 are assessed as having no material impact on this financial report.

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

	Note	Group		Chief Entity	
		2014	2013	2014	2013
		\$	\$	\$	\$
2. OPERATING RESULT BEFORE INCOME TAX HAS BEEN DETERMINED AFTER:-					
a) Crediting as Revenue					
Subscriptions		10,422,304	10,635,555	10,422,304	10,635,555
Member Services (Member Advantage Pty Ltd)		2,230,332	2,054,151	-	-
Licence Fees		-	-	625,000	625,000
Rental Income		558,239	559,647	558,239	559,647
Interest		186,613	179,591	186,613	179,591
Trust Distributions		36,051	114,672	36,051	114,672
Capital return on investment		98,265	-	98,265	-
Increment in market value of investment		147,591	121,131	147,591	121,131
Transfer of fund from former Colliery Officials Association		300,000	-	300,000	-
Profit from Sale of Non-Current Asset		14,074	14,675	14,074	14,675
Capitation Fees		-	-	-	-
Levies		-	-	-	-
Grants		85,520	121,933	85,520	121,933
Donations		-	-	-	-
Other Financial Support		-	-	-	-
Other Income		520,337	378,458	520,337	305,956
		14,599,326	14,179,813	12,993,994	12,678,160
b) Charging as Expenses					
Employment Costs					
Office Holders:					
Salaries & Allowances		-	-	-	-
Annual Leave		-	-	-	-
Long Service Leave		-	-	-	-
Separation & Redundancy		-	-	-	-
Superannuation		-	-	-	-
Other Employment Costs		-	-	-	-
Employees Other than Office Holders:					
Salaries & Allowances – Other		7,218,255	7,243,981	6,603,490	6,703,435
Annual Leave		413,599	(4,206)	371,082	(11,308)
Long Service Leave		193,386	125,801	172,254	113,175
Separation & Redundancy		-	4,528	-	4,528
Superannuation		731,383	680,324	667,625	628,332
Other Employment Costs		472,468	515,492	430,620	484,529
		9,029,091	8,565,920	8,245,071	7,922,691
Borrowing Costs		235,474	293,046	235,474	293,046
Professional Network Costs		67,041	181,372	67,041	181,372

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

Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014

	Note	Group		Chief Entity	
		2014	2013	2014	2013
		\$	\$	\$	\$
2. OPERATING RESULT BEFORE INCOME TAX HAS BEEN DETERMINED AFTER CONT'D					
Other Expenses					
Affiliation Fees	2(c)	175,184	150,399	175,184	150,399
Meeting Expenses		203,909	188,483	202,986	185,546
Audit & Accounting Fees		77,862	84,752	78,410	73,752
Legal Fees – Litigation		125,203	166,831	125,203	166,831
Legal Fees – Other Legal Matters		133,894	101,550	133,894	101,001
Members' Services & Support		2,822,236	2,801,477	2,023,318	1,961,069
Depreciation & Amortisation		404,115	475,020	404,115	475,020
Other Industrial Expenses		-	-	-	-
Industrial Library		-	-	-	-
Provision for Doubtful Debts – Controlled entities		-	-	-	(2,783,510)
Bad & Doubtful Debts		-	-	-	-
Provision for Doubtful Debts - Other		1,299,446	-	1,299,446	-
Controlled entities loans forgiven		-	-	-	2,830,716
Non-Current Assets Written off		-	155,505	-	155,505
Capitation Fees		-	-	-	-
Compulsory Levies (ACTU Election Levy)		70,969	34,812	70,969	34,812
Consideration to Employers for Payroll Deductions		-	-	-	-
Fees/allowances – meetings and conferences		-	-	-	-
Grants & Donations		-	-	-	-
Penalties – RO Act & RO Regulations		-	-	-	-
		5,312,818	4,158,829	4,513,525	3,351,141

c) Affiliation Fees Paid

Unions NSW	25,155	23,279	25,155	23,279
Unions ACT Trades and Labour Council of the ACT Inc.	3,374	3,289	3,374	3,289
ACTU	60,921	58,742	60,921	58,742
UNI Global Union	23,696	30,123	23,696	30,123
New Castle Trades Hall Council	71	355	71	355
NT Trades & Labour Council	-	795	-	795
SA Unions	8,918	6,897	8,918	6,897
Unions Tasmania	1,557	1,601	1,557	1,601
The Trades Hall Association Limited	-	6,507	-	6,507
Victorian Trades Hall Council	26,423	12,716	26,423	12,716
Unions WA WA's Peak Union Body	7,740	6,095	7,740	6,095
Qld Council of Unions	16,744	-	16,744	-
Electoral Commission NSW	585	-	585	-
	175,184	150,399	175,184	150,399

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

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
3. INCOME TAX EXPENSE				
Prima facie tax at 30% on Profit/(Loss)	(13,529)	1,177,451	(20,135)	998,070
Tax losses recouped not previously recognised	-	(1,020)	-	-
Exempt Income	-	(1,176,392)	-	(998,070)
Taxable income	20,135	-	20,135	-
Total Income Tax Expense	6,606	39	-	-

4. CASH AND CASH EQUIVALENTS

Cash at Bank	1,795,500	3,198,565	1,486,427	2,263,245
Cash on Hand	2,600	2,600	2,600	2,600
Cash Management Account	254,070	365,179	254,070	365,179
	2,052,170	3,566,344	1,743,097	2,631,024

5. TRADE AND OTHER RECEIVABLES

Current

Sundry Receivables	1,766,948	399,700	1,434,001	93,536
Amounts Owed by Controlled Entities	-	-	-	-
Receivables from Other Reporting Units	-	-	-	-
Less Provision for Doubtful Debts	(1,299,446)	-	(1,299,446)	-
	467,502	399,700	134,555	93,536

Non Current

Sundry Receivables	-	1,200,000	-	1,200,000
Amounts Owed by Controlled Entities	-	-	310,563	907,245
	-	1,200,000	310,563	2,107,245

Net Fair Values

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

Significant Terms and Conditions

Sundry receivables are generally required to be settled within 60 days. The non-current receivables at 30 June 2013 represents the balance due in respect to the sale of Chifley Business School Pty Ltd due and payable no later than 30 September 2014. This amount is included in current receivable as at 30 June 2014. APESMA has security, including a first ranking charge over the asset of Chifley Business School Pty Ltd to secure payment of this amount by the due date of 30 September 2014. Management have assessed the amount receivable at 30 June 2014 and made a provision for impairment in the financial statements.

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

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

5. TRADE AND OTHER RECEIVABLES CONT'D

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	
	2014	2013	2014	2013
	\$	\$	\$	\$
6. OTHER ASSETS				
Prepayments	78,415	124,544	78,415	124,544
7. FINANCIAL ASSETS				
Current				
Commonwealth Bank Term Deposits	6,608,968	2,778,456	6,608,968	2,778,456
Vanguard Index Funds-Unit Trust	1,151,430	615,988	1,151,430	615,988
Chifley Financial Services Structured Bond	-	2,759,378	-	2,759,378
	7,760,398	6,153,822	7,760,398	6,153,822
Non-Current				
Shares in Controlled Entities	-	-	21	33
Shares in Other Entities	-	2,062	-	2,062
	-	2,062	21	2,095
Net Fair Values				
Shares in entities noted above have an aggregate net fair value approximating their carrying value.				
8. PROPERTY, PLANT & EQUIPMENT				
Land and Buildings at National Board Valuation - 2011	11,650,388	11,754,313	11,650,388	11,754,313
Buildings at Cost & under Construction	1,296,638	-	1,296,638	-
Accumulated Depreciation	(1,028,827)	(784,993)	(1,028,827)	(784,993)
	11,918,199	10,969,320	11,918,199	10,969,320
Office Equipment at Cost	1,216,121	1,081,725	1,200,799	1,081,725
Accumulated Depreciation	(636,719)	(527,288)	(621,397)	(527,288)
	579,402	554,437	579,402	554,437
Motor Vehicles at Cost	128,128	191,590	128,128	191,590
Accumulated Depreciation	(128,128)	(154,472)	(128,128)	(154,472)
	-	37,118	-	37,118
Total Property, Plant & Equipment	12,497,601	11,560,875	12,497,601	11,560,875

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

8. PROPERTY, PLANT & EQUIPMENT (CONT'D)

Valuation of Land and Buildings

Land and buildings held by the Group were subject to assessment for fair value by the National Board. The property located at 163-165 Eastern Road South Melbourne Victoria was valued as at 30 June 2011 by Mr. M.D. Jackson, AAPI, Certified Practising Valuer of Charter Keck Cramer. Based on the independent valuation of this property the National Board determined to revalue land and buildings as at 30 June 2011 to fair market value based on existing use.

Due to the current works in progress on the South Melbourne property regarding major external refurbishment not being finished until 2014/15, the revaluation of the property portfolio being deferred until completion of these works.

Movements in Carrying Amounts

Movements in carrying amounts for the asset class of property, plant and equipment between the beginning and the end of the current financial year;

CHIEF ENTITY	Land & Buildings	Office Equipment	Motor Vehicles	Total
Balance 1 July 2012	11,079,443	750,446	104,702	11,934,591
Additions	131,894	62,485	-	194,379
Revaluation	-	-	-	-
Disposals/Adjustments	-	(138,918)	(15,057)	(153,975)
Depreciation Expense	(242,017)	(119,576)	(52,527)	(414,120)
Balance 30 June 2013	10,969,320	554,437	37,118	11,560,875
Balance 1 July 2013	10,969,320	554,437	37,118	11,560,875
Additions/WIP	1,296,638	164,755	-	1,461,393
Revaluation	-	-	-	-
Disposals/Adjustments	(103,925)	(42,109)	(7,502)	(153,536)
Depreciation Expense	(243,834)	(97,681)	(29,616)	(371,131)
Balance 30 June 2014	11,918,199	579,402	-	12,497,601

GROUP	Land & Buildings	Office Equipment	Motor Vehicles	Total
Balance 1 July 2012	11,079,443	777,315	104,702	11,961,460
Additions	131,894	62,485	-	194,379
Disposals/Additions	-	-	-	-
Revaluation	-	(165,787)	(15,057)	(180,844)
Depreciation Expense	(242,017)	(119,576)	(52,527)	(414,120)
Balance 30 June 2013	10,969,320	554,437	37,118	11,560,875
Balance 1 July 2013	10,929,320	554,437	37,118	11,560,875
Additions/WIP	1,296,638	164,755	-	1,461,393
Revaluation	-	-	-	-
Disposals/Adjustments	(103,925)	(42,109)	(7,502)	(153,536)
Depreciation Expense	(243,834)	(97,681)	(29,616)	(371,131)
Balance 30 June 2014	11,918,199	579,402	-	12,497,601

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
9. INTANGIBLE ASSETS				
Balance 1 July 2013	65,989	119,409	65,989	119,409
Movement for the year	3,524	7,480	3,524	7,480
Amortisation for the year	(32,984)	(60,900)	(32,984)	(60,900)
Balance 30 June 2014	36,529	65,989	36,529	65,989

Intangible assets comprise mainly of software licenses and are amortised over the estimated useful life of 3 years.

10. TRADE AND OTHER PAYABLES

Current

Trade and Sundry Creditors	1,088,764	1,249,824	933,580	1,062,347
Prepaid Subscriptions & Fees	2,126,288	2,248,689	2,013,056	2,128,742
Amounts Owed to Controlled Entities	-	-	649,998	649,998
Payable to Other Reporting Units	-	-	-	-
Consideration to employers for payroll deductions	-	-	-	-
Legal costs	-	-	-	-
	3,215,052	3,498,513	3,596,634	3,841,087

Trade and Sundry Creditors and Payables to other Reporting Units, Prepaid Subscriptions & Fees Amounts owed to Controlled Entities

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

Prepaid subscriptions and fees represent amounts received in respect to the 2014/15 period.

11. BORROWINGS

Current

Bank Overdraft	-	-	-	-
Bank Bills	2,000,000	2,000,000	2,000,000	2,000,000
Lease Liabilities	-	18,248	-	18,248
	2,000,000	2,018,248	2,000,000	2,018,248

Bank Bills, Debentures and Lease Liabilities

The bank bills are secured by first mortgage over the Group's property in Melbourne and Sydney.

The National Board considers that the carrying amounts of bank bills, debentures and lease liabilities approximate their net fair values.

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
12. EMPLOYEE PROVISIONS				
Current				
Office Holders				
Annual Leave	-	-	-	-
Long Service Leave	-	-	-	-
Separation and Redundancies	-	-	-	-
Other Employee Benefits	-	-	-	-
Employees Other than Office Holders:				
Annual Leave	660,577	642,183	660,577	642,183
Long Service Leave	884,448	797,637	884,448	797,637
Separation and Redundancies	-	-	-	-
Other Employee Benefits	-	-	-	-
	1,545,025	1,439,820	1,545,025	1,439,820
Non-Current				
Office Holders	-	-	-	-
Employees Other than Office Holders:				
Long Service Leave	417,572	370,910	417,572	370,910
	417,572	370,910	417,572	370,910

Net Fair Values

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

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA
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Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
13. RESERVES				
Capital Profits Reserve				
Balance at start of year	-	775,368	-	775,368
Less: Transfer to Organisation Funds	-	(775,368)	-	(775,368)
Balance as at end of year	-	-	-	-
Property Revaluation Reserve				
Balance at start of year	7,456,760	7,456,760	7,456,760	7,456,760
Revaluation during year	-	-	-	-
Balance as at end of year	7,456,760	7,456,760	7,456,760	7,456,760
General Reserve				
Balance at start of year	-	139,878	-	139,878
Less: Transfer to Organisation Funds	-	(139,878)	-	(139,878)
Balance as at end of year	-	-	-	-
Building Repair Reserve				
Balance at start and end of year	100,000	100,000	100,000	100,000
Amalgamation Reserve				
Balance at start and end of year	150,000	150,000	150,000	150,000
Licence Fee Reserve				
Balance at start and end of year	132,000	132,000	132,000	132,000
APESMA Legal Defence Fund				
Balance as at start and end of year	528,464	528,464	528,464	528,464
CSD Legal Defence Fund				
Balance at start of year	7,458,045	6,710,744	7,458,045	6,710,744
Transfer to Reserve	1,098,410	747,301	1,098,410	747,301
Balance as at end of year	8,556,455	7,458,045	8,556,455	7,458,045
Total Reserves	16,923,679	15,825,269	16,923,679	15,825,269

Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$

14. 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	-	18,411	-	18,411
1-5 years	-	-	-	-
Gross Lease Payments	-	18,411	-	18,411
Less Future Finance Charges	-	(163)	-	(163)
Lease Liabilities	-	18,248	-	18,248
Current	-	18,248	-	18,248
Non Current	-	-	-	-
Lease Liabilities	-	18,248	-	18,248

15. CONTROLLED ENTITIES

	Chief Entity Investment		Equity Holding		Contributions to Group Profit or Loss	
	2014	2013	2014	2013	2014	2013
	\$	\$	%	%	\$	\$
Chief Entity						
Association of Professional Engineers, Scientists & Managers, Australia					(67,117)	3,326,900
Controlled Entities						
APESMA Lawyers Pty Ltd	10	10	100	100	-	-
Member Advantage Pty Ltd	1	1	100	100	15,413	3,491
ETM Placements Pty Ltd (1)	-	10	-	100	-	-
Education and Training for Professionals Pty Ltd (1)	-	2	-	100	-	-
APESMA Insurance Services Pty Ltd	10	10	100	100	-	-
Engineering Placements Pty Ltd (1)	-	-	-	100	-	-
Chifley Business School Pty Ltd	-	-	-	-	-	(193,884)
	21	33				

(1) These controlled entities applied to the Australian Securities and Investments Commission (ASIC) on 27 June 2013 to be deregistered. These entities were deregistered by ASIC on 2 September 2013.

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

16. RELATED PARTIES

a) Related Party Transactions for the Reporting Period:

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

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
Revenue received from controlled entities includes the following:				
Member Advantage				
Service fees	-	-	853,463	903,462
Chifley Business School				
Service fees	-	-	-	175,000
Expenses paid to controlled entities	-	-	-	-
Loans to and from controlled entities are disclosed in the notes 5 and 10 to the financial report.				

Terms and conditions of transactions with related parties

b) Key Management Personnel Remuneration for the Reporting Period

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

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
Short-term employee benefits:				
Salary (including annual leave taken)	1,651,446	1,429,596	1,392,092	1,174,197
Annual leave accrued	3,640	22,545	(5,372)	21,109
Performance bonus	-	-	-	-
Total short-term employee benefits	1,655,086	1,452,141	1,386,720	1,195,306
Post-employment benefits:				
Superannuation	164,923	147,377	140,933	123,753
Total post-employment benefits	164,923	147,377	140,933	123,753
Other long-term benefits:				
Long service leave	34,963	48,335	40,003	38,874
Total other long-term benefits	34,963	48,335	40,003	38,874
Termination benefits	-	-	-	-
Total	1,854,972	1,647,853	1,567,656	1,357,933

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

Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
17. REMUNERATION OF AUDITOR				
<i>Value of the services provided</i>				
UHY Haines Norton				
Financial statement and other audit services	51,350	53,500	50,050	47,500
Other services	15,952	21,550	17,800	16,550
	67,302	75,050	67,850	64,050
W. W. Vick & Co				
Financial statement audit and other audit services	10,560	9,702	10,560	9,702
	77,862	84,752	78,410	73,752

18. FINANCIAL RISK MANAGEMENT

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.

18 (a) 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:—

Chief Entity							
30-Jun-14							
Assets:							
Cash and Cash Equivalents	0.50	1,740,497	-	-	-	2,600	1,743,097
Financial Assets	3.95	-	5,608,970	999,998	-	1,151,430	7,760,398
Receivables	-	-	-	-	-	1,744,564	1,744,564
Total financial assets		1,740,497	5,608,970	999,998	-	2,898,594	11,248,059
Liabilities:							
Leases	-	-	-	-	-	-	-
Trade and Sundry Payables	-	-	-	-	-	1,343,557	1,343,557
Bank bills and Overdraft	5.06	-	2,000,000	-	-	-	2,000,000
Total financial liabilities		-	2,000,000	-	-	1,343,557	3,343,557
Net financial assets (liabilities)		1,740,497	3,608,970	999,998	-	1,553,037	7,904,502
The total amount of financial liabilities disclosed above excludes statutory payables (ie GST payable)							

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

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

18. FINANCIAL RISK MANAGEMENT CONT'D

Chief Entity							
30-Jun-13							
Assets:							
Cash and Cash Equivalents	1.0	2,628,424	-	-	-	2,600	2,631,024
Financial Assets	5.8	-	2,778,456	-	-	3,375,368	6,153,822
Receivables	-	-	-	-	-	2,200,781	2,200,781
Total financial assets	-	2,628,424	2,778,456	-	-	5,578,747	10,985,627
Liabilities:							
Leases	7.65	-	18,248	-	-	-	18,248
Trade and Sundry Payables	-	-	-	-	-	1,283,579	1,283,579
Bank bills and Overdraft	6.1	-	2,000,000	-	-	-	2,000,000
Total financial liabilities	-	-	2,018,248	-	-	1,283,579	3,301,827
Net financial assets (liabilities)	-	2,628,424	760,208	-	-	4,295,168	7,683,800

The total amount of financial liabilities disclosed above excludes statutory payables (ie GST payable)

The Group bank balances are subject to a group limit facility arrangement providing full set-off of debt and interest based on the net balance of group bank accounts excluding the CSD Legal Defence Fund cash at bank balances of \$279,172 (2013: \$777,148) which cannot be encumbered or used for set-off without authority of the management committee of the CSD Legal Defence Fund. Financial assets of the CSD Legal Defence Fund of \$7,760,407 (2013: \$6,153,822) are also excluded and cannot be encumbered or used for set-off without the authority of the management committee of the CSD Legal Defence Fund.

Group							
30-Jun-14							
Assets:							
Cash and Cash Equivalents	0.50	2,049,570	-	-	-	2,600	2,052,170
Financial Assets	3.95	-	5,608,970	999,998	-	1,151,430	7,760,398
Receivables	-	-	-	-	-	1,766,948	1,766,948
Total financial assets		2,049,570	5,608,970	999,998	-	2,920,978	11,579,516
Liabilities:							
Leases	-	-	-	-	-	-	-
Trade and Sundry Payables	-	-	-	-	-	828,447	825,447
Bank bills and Overdraft	5.06	-	2,000,000	-	-	-	2,000,000
Total financial liabilities		-	2,000,000	-	-	828,447	2,828,447
Net financial assets (liabilities)		2,049,570	3,608,970	999,998	-	2,092,531	8,751,069

The total amount of financial liabilities disclosed above excludes statutory payables (ie GST payable)

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

18. FINANCIAL RISK MANAGEMENT CONT'D

Group

30-Jun-13

Assets:

Cash and Cash Equivalents	1.0	3,563,744	-	-	2,600	3,566,344
Financial Assets	5.8	-	2,778,456	-	3,375,366	6,153,822
Receivables	-	-	-	-	1,599,700	1,599,700
Total financial assets	-	3,563,744	2,778,456	-	4,977,666	11,319,866

Liabilities:

Leases	7.65	-	18,248	-	-	18,248
Trade and Sundry Payables	-	-	-	-	794,045	794,045
Bank bills and Overdraft	6.1	-	2,000,000	-	-	2,000,000
Total financial liabilities	-	-	2,018,248	-	794,045	2,812,293
Net financial assets (liabilities)	-	3,563,744	760,208	-	4,183,621	8,507,573

The total amount of financial liabilities disclosed above excludes statutory payables (ie GST payable)

18 (b) Credit Risk

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

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

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

	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	2014	2014	2013	2013
	\$	\$	\$	\$
Group				
Receivables	377,271	1,389,677	1,584,606	15,094
Chief Entity				
Receivables	435,174	1,309,390	2,268,781	-

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

18. FINANCIAL RISK MANAGEMENT CONT'D

Ageing of financial assets that were not impaired

	<30 days \$	31 – 60 days \$	61 – 90 days \$	> 90 days \$	Total \$
2014					
Group					
Receivables	354,151	8,433	14,687	90,231	467,502
Chief Entity					
Receivables	420,487	-	14,687	9,944	445,118
2013					
Group					
Receivables	1,573,579	7,381	3,646	15,094	1,599,700
Chief Entity					
Receivables	2,196,475	660	6,646	-	2,200,781

18 (c) Net Fair Values

The net fair values of the Group's financial assets and financial liabilities are not expected to be significantly different from each class of asset and liability as disclosed above and recognized in the statement of financial position as at 30 June 2014.

18 (d) Market Risk

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

18 (e) Liquidity Risk

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

Net Fair Values of Financial Assets and Liabilities

The net fair values of:-

- Term receivables, government and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present values
- Other assets and liabilities approximate their carrying values

Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014

18. FINANCIAL RISK MANAGEMENT CONT'D

18 (e) Liquidity Risk

Net Fair Values of Financial Assets and Liabilities

GROUP

2014	Carrying Amount 2014 \$	Fair Value 2014 \$
Financial assets		
Cash & Cash Equivalents	2,052,170	2,052,170
Receivables	1,766,948	467,562
Investments	7,760,398	7,760,698
Financial liabilities		
Payables	828,447	828,447
Borrowings	2,000,000	2,000,000

2013

	Carrying Amount 2013 \$	Fair Value 2013 \$
Financial assets		
Cash & Cash Equivalents	3,566,344	3,566,344
Receivables	1,599,700	1,599,700
Investments	6,153,822	6,153,822
Financial liabilities		
Payables	794,045	794,045
Borrowings	2,018,248	2,018,248

Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014

18. FINANCIAL RISK MANAGEMENT CONT'D

Net Fair Values of Financial Assets and Liabilities

CHIEF ENTITY		
2014	Carrying Amount	Fair Value
	2014	2014
	\$	\$
Financial assets		
Cash & Cash Equivalents	1,743,097	1,743,097
Receivables	1,744,564	445,118
Investments	7,760,398	7,760,398
Financial liabilities		
Payables	1,343,557	1,343,557
Borrowings	2,000,000	2,000,000
2013		
	Carrying Amount	Fair Value
	2013	2013
	\$	\$
Financial assets		
Cash & Cash Equivalents	2,631,024	2,631,024
Receivables	2,200,781	2,200,781
Investments	6,153,822	6,153,822
Financial liabilities		
Payables	1,283,579	1,283,579
Borrowings	2,018,248	2,018,248

19. FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS

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

Group & Chief Entity

2014

	Carrying amount at 30 June 2014	Date of valuation	Level 1	Level 2	Level 3
	\$		\$	\$	\$
Financial Assets					
Vanguard Index Fund – Unit Trust	1,151,430	30/06/2014	1,151,430	-	-
Property					
Land & Buildings	10,621,561	30/06/2011	-	10,621,561	-

THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA
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Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
20. NOTES TO THE CASH FLOW STATEMENT				
i) Cash and cash equivalents comprises cash on hand and at bank, net of outstanding bank overdrafts, as follows:-				
Cash on hand	2,600	2,600	2,600	2,600
Cash at bank	1,795,500	3,198,565	1,486,427	2,263,245
Cash Management Account	254,070	365,179	254,070	365,179
Bank Overdraft	-	-	-	-
	2,052,170	3,566,344	1,743,097	2,631,024
ii) Reconciliation of Operating Profit/(Loss) after Income Tax to net cash provided by Operating Activities				
Operating Profit/(Loss) after Income Tax	(51,704)	3,924,799	(67,117)	3,326,900
Non cash and investing items				
Asset Impairment/Write Offs	2,062	155,505	2,074	155,505
Depreciation	404,115	475,020	404,115	475,020
Rental Income	(558,239)	(615,612)	(558,239)	(615,612)
Doubtful Debts – Controlled Entities	-	-	-	(2,783,510)
Doubtful Debts - Other	1,299,446	-	1,299,446	-
Loans to Controlled entities forgiven	-	-	-	2,830,716
Net Profit on Sale of Fixed Assets	(14,074)	(14,675)	(14,074)	(14,675)
Increment in value of investment	(147,591)	(121,132)	(147,591)	(121,132)
Net Gain on Sale of Subsidiary	-	(3,138,076)	-	(2,396,990)
Depreciation – Subsidiary Sold	-	1,455	-	-
Changes in Operating Assets/Liabilities				
Sundry Debtors	(167,247)	439,023	(140,465)	98,316
Prepayments	46,129	(9,355)	46,129	(21,380)
Employee Entitlements	151,867	(156,518)	151,867	(156,518)
Creditors and Other Payables	(512,310)	(524,304)	(473,301)	31,576
Provision for Income Tax	20,825	(14,219)	-	-
Net cash provided by/used in operating activities	473,279	401,911	502,844	808,216
iii) The Group has bank bill (\$2.9 million) and bank overdraft (\$0.5 million) facilities of \$3.4 million as at 30 June 2014 which were utilised to the extent of \$2.0 million. These facilities are subject to annual review.				

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

**20. NOTES TO THE CASH FLOW
STATEMENT CONT'D**

iv) Disposal of the Chifley Business School Pty Ltd

During the 2012/13 year the controlled entity Chifley Business School Pty Ltd was sold. Aggregate details of this transactions are:

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
Disposal Price	-	3,072,000	-	3,072,000
Cash Consideration	-	1,872,000	-	1,872,000
Receivable 30 June 2014	-	1,200,000	-	1,200,000
Assets and Liabilities Held at Date of Disposal				
Shares in Controlled Entity	-	-	-	675,000
Cash & Cash Equivalents	-	297,456	-	10
Receivables	-	801,991	-	-
Property Plant & Equipment	-	25,417	-	-
Payables	-	(1,190,940)	-	-
	-	(66,076)	-	675,010
Net Gain on Disposal	-	3,138,076	-	2,396,990
	-	3,072,000	-	3,072,000
Less Receivables 30 June 2013	-	1,200,000	-	1,200,000
Cash Received	-	1,872,000	-	1,872,000
Less Cash & Cash Equivalents on Subsidiary Disposal	-	297,456	-	-
Net Cash Received on Disposal	-	1,574,544	-	1,872,000

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, employment and general industrial matters.

22. CONTINGENT ASSETS AND LIABILITIES

The National board are not aware of any other contingent assets or liabilities as at 30 June 2014.

23. SUBSEQUENT EVENTS

The directors are not aware of any significant events since the end of the reporting period.

24. GOING CONCERN

The financial statements are prepared on the basis that the Group and the Chief Entity will continue as a going concern and that assets including property plant and equipment and liabilities would be realised in the normal course of business at their recorded values as at 30 June 2014.

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

The Group and the Chief Entity have not agreed to provide any other entity with financial support to ensure they can continue on a going concern basis.

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

25. BUSINESS COMBINATIONS

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

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

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

26. DISCONTINUED OPERATIONS

The Chief Entity and a subsidiary entered in a share sale agreement and subsequent Deed of Variation whereby all issued shares in Chifley Business School Pty Ltd were sold with a completion date of 1 October 2012. The sale price of \$3.072 million is payable by two instalments.

Financial information relating to the discontinued operation to the date of disposal is set out below.

The financial performance of the discontinued operation to the date of sale, which is included in profit/(loss) from discontinued operations per the Statement of Comprehensive Income, is as follows:

	Group		Chief Entity	
	2014	2013	2014	2013
	\$	\$	\$	\$
Revenue	-	980,248	-	-
Expenses	-	(1,172,677)	-	-
Depreciation	-	(1,455)	-	-
Profit/(Loss) Before Income Tax	-	(193,884)	-	-
Income Tax Expense	-	-	-	-
Profit/(Loss) Attributable to members of the Parent Entity	-	(193,884)	-	-
Profit on Sale of Company	-	3,138,076	-	2,396,990
Income Tax Expense	-	-	-	-
	-	3,138,076	-	2,396,990
Total Profit/(Loss) after Tax Attributable to the Discontinued Operations	-	2,944,192	-	2,396,990

**Notes to the Consolidated Annual Accounts
for the Year Ended 30 June 2014**

26. DISCONTINUED OPERATIONS CONT'D

The net cash flows of the discontinued operations, which have been incorporated into the Statement of Cash Flows, are as follows:

Net cash inflow/(outflow) from operating activities	-	(530,177)	-	-
Net cash inflow/(outflow) from investing activities	-	-	-	-
Net cash inflow/(outflow) from financing activities	-	-	-	-
Net cash increase/(decrease) generated by the discontinued operation	-	(530,177)	-	-

Gain on disposal of the subsidiary company is included in the profit/(loss) from discontinued operations per the Statement of Comprehensive Income.

National Board Statement

On the 2 October 2014 the National Board of the Association of Professional Engineers, Scientists & Managers, Australia, trading as Professionals Australia, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2014:

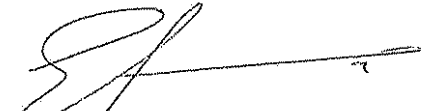
The National Board declares in relation to the financial report that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the Reporting Guidelines of the General Manager of Fair Work Australia (General Manager) and other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the 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 GPFR 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 RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting units have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request of a member of the reporting unit or the General Manager duly made under section 272 of the RO Act has been provided to the member or the General Manager; and
 - (vi) where any orders for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act; there has been compliance.
- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) the National Board instructed the auditor to include in the scope of the audit required under section 257(1) of the RO Act all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursed of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.


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

National Board Statement Cont'd

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



E. W. Jackson
National President



O. Reinhold
National Treasurer

Dated: 2 October 2014
South Melbourne, Victoria

Dated: 2 October 2014
South Melbourne, Victoria

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE ASSOCIATION OF PROFESSIONAL ENGINEERS,
SCIENTISTS AND MANAGERS, AUSTRALIA**

Report on the financial report

We have audited the accompanying financial report of the **Association of Professional Engineers, Scientists and Managers, Australia** (the entity), which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity, statement of cash flows and the statement of receipts and payments for recovery of wages activity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the National Board Statement.

National Board's responsibility for the financial report

The National Board is responsible for the preparation of the financial report that gives a true and fair view of the financial report in accordance with Australian Accounting Standards and the Reporting Guidelines of the General Manager of Fair Work Australia and any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. The National Board is also responsible for such internal control as the National Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the National Board also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

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

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

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Opinion

In our opinion, under section 257(5) of the Fair Work (Registered Organisations) Act 2009, the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the Group and the Chief Entity:

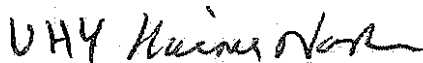
- (a) the Australian Accounting Standards, (including Australian Accounting Interpretations);
- (b) in relation to recovery of wages activity;
 - (i) that the scope of the audit encompassed recovery of wages activity;
 - (ii) that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the Reporting Guidelines of the General Manager of Fair Work Australia, including;
 - 1. any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - 2. any donations or other contributions deducted from recovered money; and
- (c) any other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Going Concern


The auditor declares that as part of the audit of the financial statements, it was concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

Approved Auditor

The auditor declares that he is an approved auditor who is a member of The Institute of Chartered Accountants in Australia and holds a current Public Practice Certificate.



UHY Haines Norton
Chartered Accountants


R.H. Hutton
Registered Company Auditor

Dated this 2nd day of October 2014