



3 December 2014

Mr Martin Byrne
Federal Treasurer
Australian Institute of Marine and Power Engineers
52 Buckingham Street
Surry Hills NSW 2010

via e-mail: mbyrne@aimpe.asn.au

Dear Mr Byrne

**Australian Institute of Marine and Power Engineers
Financial Report for the year ended 30 June 2013 - FR2013/302**

I acknowledge receipt of the financial report for the year ended 30 June 2013 for the Australian Institute of Marine and Power Engineers. The amended financial report was lodged with the Fair Work Commission (FWC) on 1 December 2014.

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

Changes to the reporting guidelines and model financial statement

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. A model set of financial statements for the 2013-2014 financial year is also available on the FWC website. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards.

The Reporting Guidelines and Model Financial Statements are available on the FWC website:
<https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

If you have any queries regarding this letter, please contact me on (03) 8661 7675 or via email at ken.morgan@fwc.gov.au

Yours sincerely

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch



File No.:

The Australian Institute of Marine and Power Engineers

s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER¹

Certificate for the period ended 30th June 2013

I *Martin Byrne* being the *Federal Treasurer* of the Australian Institute of Marine and Power Engineers certify:

- that the documents lodged herewith are copies of the full report for the Australian Institute of Marine and Power Engineers for the period ended 30th June 2013 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *full report*² was provided to members of the reporting unit on 18th October 2014 by being placed on the AIMPE website and subsequently a printed copy was circulated to each member at their home address on 30th October 2014; and
- that the full report was presented to a *meeting of the committee of management* (Federal Executive under AIMPE Rules) of the reporting unit on 14th October 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was presented to meetings of members held in various locations around Australia on 25th November 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer: Martin Byrne.

Title of prescribed designated officer: Federal Treasurer.

Dated: 27th November 2014.

¹ Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

² Adjust certificate as appropriate to reflect the facts.



AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

CONTENTS

Item	Page
1. Operating Report	1 – 4
2. Income Statement	5 – 7
3. Balance Sheet	8
4. Statement of Changes in Equity	9
5. Cash Flow Statement	10
6. Recovery of Wages Activity	11
7. Notes to the Financial Statements	12 – 29
8. Committee of Management Statement	30
9. Accountants Compilation Report	31
9. Auditor's Independence Declaration	32
10. Independent Audit Report	33-34

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

OPERATING REPORT

I, Martin Byrne, Federal Treasurer of the Australian Institute of Marine and Power Engineers, hereby report on the operations of the AIMPE during 2012-13 as follows:

- (a) The **principal activities** of the AIMPE continue to be the protection of the rights and entitlements of AIMPE members both individually and collectively, the defence of professional standards for marine engineers and the promotion of the Australian maritime industry. As a result of these activities the AIMPE negotiated numerous collective agreements with various employers in the maritime industry. These were submitted to Fair Work Australia for approval (following endorsement by the members concerned).

Throughout 2012-13 AIMPE continued to campaign in support of professional standards for marine engineering certification and training. This involved significant lobbying activity around a proposed new Marine Engineers Qualifications Bill which was presented to Federal Parliament in June 2013. Substantial resources were directed to this priority issue and the Bill was approved by the Senate although Parliament adjourned before it could be presented to the House of Representatives.

Another matter pursued in the Federal political arena was the proliferation of s.457 visas for foreign engineers. AIMPE was successful in promoting a change to proposed legislation to ensure that visa applications for engineers – including marine engineers – are now to be subject to a labour market test. This should assist in reducing the abuse of s.457 visas and also help unemployed Australian marine engineers to obtain employment.

AIMPE also continued the special recruitment campaign in the dredging sector with special emphasis on the major LNG terminal dredging for the Wheatstone Project near Onslow in Western Australia. This involved the expenditure of additional resources in supporting the staff members who carried out this organising campaign.

To disseminate information to members, AIMPE maintains an active **communication** strategy encompassing direct mail of the union magazine (On Watch) to members' home address, monthly reports to all ships with members on board, email communications to ships where available and regular monthly meetings at major locations around the country. Ten editions of On Watch were produced and distributed including a combined December-January edition during the holiday season. AIMPE continued in 2012-13 to make the On Watch available online on the union's website www.aimpe.asn.au. This is available in a password protected members only section of the website.

Throughout 2012-13, AIMPE also retained its long-standing **affiliations** with the International Transport Workers Federation, the Australian Council of Trade Unions and the Australian Labor Party.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

OPERATING REPORT (CONTINUED)

- (b) Regarding the **financial affairs** of the AIMPE in 2012-13 – membership fee income was again up on the income in the previous financial year due to another increase in membership numbers as well as a 5% increase in fees. AIMPE disposed of the managed investments during 2012-13 and directed the amount realized in to Term Deposits which the Federal Council regarded as a more secure investment in times of financial uncertainty especially in Europe.

AIMPE owns all of the premises in which our offices are located. During 2012-13 AIMPE completed a substantial refurbishment project on the Head Office premises in Surry Hills, Sydney. This included completion of the exterior repainting and the re-painting and re-carpeting of the second floor interior. The result is a much improved meeting space for members and work space for staff.

AIMPE continued in 2012-13 to let some space out to tenants in our Head Office in Surry Hills, Sydney and in our SA Branch office in Port Adelaide. In addition, at the Melbourne premises AIMPE owns 4 car spaces which are leased on a commercial basis.

- (c) **Members** are entitled to resign by providing a notice of resignation in writing to the Branch Secretary of the Branch to which the member belongs as provided by Rule 31.

31 - RESIGNATIONS AND EXCLUSIONS

- (i) *Notice in writing of resignation shall be addressed and delivered to the Branch Secretary of the Branch to which the member currently belongs.*
- (ii) *A member may resign from membership by written notice which shall take effect:*
- (a) *Where the member ceases to be eligible to become a member of the Institute:*
- *on the day on which the notice is received; or*
 - *on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;*
- whichever is later; or*
- (b) *in any other case:*
- *at the end of two (2) weeks after the notice is received; or*
 - *on the day specified in the notice;*
- whichever is later.*
- (iii) *Any dues payable but not paid by a former member, in relation to a period before the member's resignation took effect, may be sued for and recovered by the Institute, as a debt due.*
- (iv) *A notice delivered as required by Rule 31(i) shall be taken to have been received by the Institute when it was delivered and such notice is not invalid because it was not addressed and delivered in accordance with Rule 31(i).*
- (v) *A resignation from membership is valid even if it is not effected in accordance with this Rule if the member is informed in writing by or on behalf of the Institute that the resignation has been accepted.*

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

OPERATING REPORT (CONTINUED)

- (vi) *A member excluded for arrears may rejoin, subject to Rule 27, and shall comply with the provisions of Rule 28 and pay all arrears owing by the member at the date of his/her exclusion.*
- (vii) *The Branch Secretary or any person designated by the Federal President/Federal Executive has discretion to apply an alternative arrangement to 31(vi) to the mutual benefit of the AIMPE and the rejoining member.*

During 2012-13 there were 144 members who resigned from the AIMPE – slightly more than the 134 who resigned in 2011-12. These figures also include members who died during the period.

The number of new members who joined the AIMPE in 2012-13 was 222 - a decrease on the 293 new members in the previous year. At 30th June 2013 the total number of members in the union was 3,582 [including Honorary members] up from the 3,490 in 2011-12. The number of Honorary members of the AIMPE in 2012-13 was 747 up slightly from 734 in 2011-12. That is there were 2,835 fee paying members of AIMPE during 2011-12 compared with 2,756 in 2011-12.

AIMPE's fee paying membership has been increasing modestly each year for at least the last 9 years. This has been due to the increase in activity and employment in the offshore oil and gas sector and the dredging sector. In addition there has been an increase in port activities such as towage - caused by the resources boom. There has been a decline in the coastal shipping sector employment however AIMPE Organisers have expanded the union's area of coverage since the enactment of the Fair Work Act with its improved collective bargaining rights for employees.

- (d) The Federal Executive of the AIMPE for 2012-13 was elected by the 2012 Federal Council in a ballot conducted by the Australian Electoral Commission. This is the **Committee of Management** of the organisation: The persons elected were:

Federal President	Terry Snee (1/7/12-30/6/13)
Senior Vice President	Peter Toohey (1/7/12-30/6/13)
Vice Presidents	Henning Christiansen and Monty Woolley (1/7/12-30/6/13)
Federal Treasurer	Martin Byrne (1/7/12-30/6/13)

All members of the Federal Executive completed the full term.

No member of the Federal Executive of the AIMPE is a trustee of a superannuation entity or an exempt public sector superannuation scheme – except that one member of the Federal Executive, Monty Woolley, has established a self-managed superannuation fund. No member of the Federal Executive of the AIMPE is a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme– except that one member of the Federal Executive, Monty Woolley, is a Director of a company that is trustee of his self-managed superannuation fund. The Federal President and the Federal Treasurer are the AIMPE representatives on the Policy Committee of the AIMPE Superannuation Plan. These positions are advisory in nature and are honorary only. The trustee of the plan is the AMP.

With the exception of the position referred to in the preceding paragraph, no officer or employee is a Director of a company or member of a Board.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

OPERATING REPORT (CONTINUED)

- (e) The total number of people **employed** by AIMPE during the course of 2012-13 was 21 [comprising 13 full-time staff, 3 part-time staff and 5 casual/temporary staff members]. As at 30th June 2013 the number of people employed was 16 – 13 full time and 3 part time staff. The part time staff represent 1.8 full time equivalent employees. One full time staff member took maternity leave during the year with her position being filled by temporary employees.

This report was prepared by Martin Byrne who is the AIMPE Federal Treasurer.

Signed

A handwritten signature in black ink, appearing to read 'Mart. Byrne', with a long horizontal flourish extending to the right.

MARTIN BYRNE,
Federal Treasurer, AIMPE

Dated this 14th day October of 2014

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013 \$	2012 \$
INCOME			
Membership Contributions (including arrears, entrance fees and less refunds)		2,768,193	2,649,767
On Watch Subscriptions		-	5,882
Capitation fees		-	-
Levies		-	-
Interest Received		188,701	88,840
Dividends Received		3,275	6,144
Net Income Received - Macquarie Managed Portfolio		11,022	53,423
Other Trust Distributions		493	-
Rent		44,507	50,075
Car Park Leases		12,500	-
Sundry		16,418	2,253
Surplus/(Deficit) on Sale of Property, Plant and Equipment		-	(3,120)
Realised Gain/(Loss) on Investments		68,669	(21,170)
Unrealised Gain/(Loss) on Investments		0	(39,575)
TOTAL INCOME		3,113,778	2,792,519
EXPENDITURE			
PERSONNEL			
Salaries - Officials and Staff	3/12	1,551,639	1,240,251
Superannuation		364,490	356,505
Payroll Tax		42,113	37,683
Workers Compensation Insurance		13,877	11,965
Fringe Benefits Tax		7,101	6,592
		1,979,220	1,652,996
COMMUNICATIONS			
Postage & Freight		7,685	6,791
Printing & Stationery		9,549	13,784
Repairs & Maintenance - Office Equipment		2,841	3,078
Telephone, Internet & Facsimile		40,578	37,592
		60,653	61,245

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

INCOME STATEMENT(CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013	2012
		\$	\$
EXPENDITURE (CONT'D)			
BUILDING			
Cleaning & Maintenance		16,897	16,530
Insurance		17,235	12,994
Light & Power		11,522	10,619
Rates, Taxes & Land Tax		24,341	29,426
Repairs & Maintenance		51,918	72,977
Body Corporate Fees		6,199	-
Agent Fees		-	2,846
		<u>128,112</u>	<u>145,392</u>
TRAVEL AND ACCOMMODATION	13	<u>58,358</u>	<u>75,615</u>
MOTOR VEHICLE EXPENSES			
Motor Vehicle Running Costs		<u>27,793</u>	<u>23,617</u>
		<u>27,793</u>	<u>23,617</u>
OTHER ADMINISTRATION			
Audit and Accountancy	11	48,790	60,344
Advertising		1,126	221
Affiliation Fees	5B	33,370	31,924
Bank Charges and Government Duties		25,268	18,383
Computer Software		7,582	120
Donations		34,091	21,041
Entertainment		723	860
Florist		118	350
Interest Paid		2,178	-
Legal Fees		48,019	24,388
Publications		4,962	3,663
Staff Amenities		1,502	4,897
Staff Training	5D	1,868	921
Sundry Expenses		14,732	17,310
		<u>224,329</u>	<u>184,422</u>
PROJECTS	5A	<u>456,138</u>	<u>330,647</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

**INCOME STATEMENT(CONT'D)
FOR THE YEAR ENDED 30 JUNE 2013**

	NOTE	2013	2012
		\$	\$
EXPENDITURE (CONT'D)			
MISCELLANEOUS			
Depreciation – Buildings	2/9	39,238	47,775
Depreciation – Other On Watch	2/9	44,963	39,280
		<u>101,956</u>	<u>118,507</u>
		<u>186,157</u>	<u>205,562</u>
TOTAL EXPENDITURE		<u>3,120,760</u>	<u>2,679,496</u>
OPERATING SURPLUS/(DEFICIT)		<u>\$(6,982)</u>	<u>\$113,023</u>
Adjustment to Reserves		-	800
TOTAL CHANGES IN EQUITY	8	<u>\$(6,982)</u>	<u>\$113,823</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

BALANCE SHEET

AS AT 30 JUNE 2013

	NOTE	2013 \$	2012 \$
CURRENT ASSETS			
Cash Assets	6	3,771,457	1,936,219
Receivables		<u>146,378</u>	<u>67,106</u>
TOTAL CURRENT ASSETS		<u>3,917,835</u>	<u>2,003,325</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	9	4,410,331	4,476,467
Investments	10	<u>87,717</u>	<u>1,535,906</u>
TOTAL NON-CURRENT ASSETS		<u>4,498,048</u>	<u>6,012,373</u>
TOTAL ASSETS		<u>8,415,883</u>	<u>8,015,698</u>
CURRENT LIABILITIES			
Membership Contributions Received in Advance		491,722	201,590
Payables		250,853	220,529
Provision for Annual Leave	3	<u>246,639</u>	<u>201,777</u>
TOTAL CURRENT LIABILITIES		<u>989,214</u>	<u>623,896</u>
NON CURRENT LIABILITIES			
Provision for Long Service Leave	3	<u>411,496</u>	<u>369,647</u>
TOTAL NON CURRENT LIABILITIES		<u>411,496</u>	<u>369,647</u>
TOTAL LIABILITIES		<u>1,400,710</u>	<u>993,543</u>
NET ASSETS		<u>\$7,015,173</u>	<u>\$7,022,155</u>
EQUITY			
General Fund	8	3,381,309	3,388,291
Asset Revaluation Reserve	7	2,535,998	2,535,998
Capital Realisation Reserve		<u>1,097,866</u>	<u>1,097,866</u>
TOTAL EQUITY		<u>\$7,015,173</u>	<u>\$7,022,155</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	GENERAL FUND	ASSETS REVALUATION RESERVE	CAPITAL REALISATION RESERVE	TOTAL
		\$	\$	\$	\$
BALANCE AT 1 JULY 2011		3,275,268	2,536,268	1,096,796	6,908,332
Surplus/(Deficit) for the year Other Comprehensive Income for the Year		113,023	(270)	1,070	113,823
		-	-	-	-
BALANCE AT 30 JUNE 2012		3,388,291	2,535,998	1,097,866	7,022,155
Surplus/(Deficit) for the year Other Comprehensive Income for the Year		(6,982)	-	-	(6,982)
		-	-	-	-
BALANCE AT 30 JUNE 2013		<u>\$3,381,309</u>	<u>\$2,535,998</u>	<u>\$1,097,886</u>	<u>\$7,015,173</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013	2012
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
RECEIPTS:			
Contributions, Entrance Fees and Levies Received from Members and "On Watch" Subscriptions		2,979,052	2,308,059
Receipts/Transfers from Other Reporting Units (branch transfers)		208,117	189,499
Interest Received		188,701	88,840
Dividends Received		3,218	6,144
Rent Income Received		44,507	50,075
Car Park Leases Received		12,500	-
Other Income Received		16,418	2,253
TOTAL RECEIPTS		<u>3,452,513</u>	<u>2,644,870</u>
PAYMENTS:			
Payments to Suppliers and Employees		2,356,517	2,016,149
Payment Relating to Projects		461,051	330,647
Payments Relating to "On Watch"		101,956	118,507
Payments to Other Reporting Units (branch transfers)		208,117	189,499
TOTAL PAYMENTS		<u>3,127,641</u>	<u>2,654,802</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	15a	<u>324,872</u>	<u>(9,932)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
RECEIPTS			
Withdrawals from Macquarie Managed Portfolio		1,528,431	-
Proceeds from Sale of Shares in Listed Companies		-	32,253
TOTAL RECEIPTS		<u>1,528,431</u>	<u>32,253</u>
PAYMENTS:			
Payment for Property, Plant and Equipment		18,065	92,937
TOTAL PAYMENTS		<u>18,065</u>	<u>92,937</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>1,510,366</u>	<u>(60,684)</u>
Net Increase / (Decrease) in Cash Held		1,835,238	(70,616)
Cash at the Beginning of the Financial year		1,936,219	2,006,835
CASH AT THE END OF THE FINANCIAL YEAR	15b	<u>\$3,771,457</u>	<u>\$1,936,219</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013 \$	2012 \$
CASH ASSETS IN RESPECT OF RECOVERED MONEY AT BEGINNING OF 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 for:			
12 months or less		-	-
Greater than 12 months		-	-
Deductions of donations or other contributions to accounts or funds of:			
The reporting unit:			
Name of account		-	-
Name of fund		-	-
Deductions of fees or reimbursement of expenses			
Payments to workers in respect of recovered money			
TOTAL PAYMENTS		<u>-</u>	<u>-</u>
Cash asset's in respect of recovered money at end of 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		<u>-</u>	<u>-</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

1. INFORMATION TO BE PROVIDED TO MEMBERS

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of Division 7 section 272 which reads as follows:

- (a) A member of a reporting unit, or the Industrial Registrar, 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.
- (b) 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.
- (c) A reporting unit must comply with an application made under subsection (1).

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *Fair Work (Registered Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Institute of Marine and Power Engineers is a not-for-profit entity.

Reporting Basis and Conventions

The financial report has been prepared on a modified accruals basis of accounting where, in accordance with Division 3 section 252(4) of the *Fair Work (Registered Organisations) Act 2009*, membership subscriptions are kept on a cash basis. The financial report is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

(a) Income Tax

No provision for income tax is necessary as trade unions are exempt from income tax under Section 50-15 of the *Income Tax assessment Act 1997*.

(b) Property, Plant and Equipment

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

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Property, Plant and Equipment (Cont'd)

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the economic entity to have an independent valuation every three years, with annual appraisals being made by the Committee.

Plant and Equipment

Plant and equipment are measured on the cost basis.

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

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2 – 11.25%
Plant and equipment	9 - 60%

(c) Investments

Shares in listed companies held as current assets are valued by the Committee at those shares' market value at each balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities.

(d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the economic entity to the employee superannuation funds and are charged as expenses when incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(f) Income

Income from the sale of goods is recognised upon the delivery of goods to customers.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

Income from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

(g) 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.

(h) Financial Instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Financial Instruments (Cont'd)

Classification and subsequent measurement:

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (ie gains or losses) being recognised in profit or loss.

(ii) 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 subsequently measured at amortised cost.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(i) New Accounting Standards for Application in Future Periods

AASB has issued new and amended accounting standards and interpretations that have mandatory application for future periods. The branch has decided against early adoption of these standards. The committee have considered the likely impact of these standards to be immaterial.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Events after the reporting period

There were no events that occurred after 30 June 2013, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of AIMPE.

The financial report was authorised for issue on 14 October, 2014.

(k) Comparative Figure

Where necessary, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(l) Financial Support

AIMPE is not in receipt of any going concern financial support from another reporting unit of the organisation nor has it provided any going concern financial support to another reporting entity. There are no material uncertainties, events or conditions that bring into question of the ability of AIMPE to continue as a going concern.

(m) Business Combinations

AIMPE did not acquire or dispose of any business entities during the financial year.

(n) Other Reporting Requirements

The following items of revenue were not reported in the Income Statement as no such items were received:

- Donations or grants received;
- Compulsory levies imposed;
- Financial support received from another reporting unit.

The following items of expenditure were not reported in the Income Statement as no such items were incurred:

- Fees incurred as consideration for employers making payroll deductions of membership subscriptions;
- Fees or allowances paid to persons to attend a conference or other meeting as a representative of the reporting unit;
- Penalties imposed under the RO Act.

The following receivables and payables were not reported in the Balance Sheet as no such items were receivable or payable at the end of the financial year:

- An amount receivable or payable with another reporting unit;
- An amount payable to employers as consideration for the employers making payroll deductions of membership subscriptions;
- An amount payable in respect of legal costs and other expenses related to litigation or other legal matters.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
3. PROVISIONS		
Office Holders:		
Provision for Annual Leave	95,362	76,675
Provision for Long Service Leave	128,595	116,981
Separations and Redundancies	-	-
Other	-	-
	<u>223,957</u>	<u>195,668</u>
Employees other than office holders:		
Provision for Annual Leave	151,277	125,102
Provision for Long Service Leave	282,901	252,666
Separations and Redundancies	-	-
Other	-	-
	<u>434,178</u>	<u>377,768</u>
	<u>\$658,135</u>	<u>\$571,424</u>
Current	246,639	201,777
Non-current	411,496	369,647
	<u>\$658,135</u>	<u>\$571,424</u>
4. GRANTS OR DONATIONS RECEIVED		
Grants	-	-
Donations	-	-
	<u>\$-</u>	<u>\$-</u>
5. EXPENSES		
5A.PROJECTS		
Dredges	62,603	65,860
Federal Council	28,101	27,096
Federal Executive	12,466	21,074
Federal President	39,981	31,258
National Conference	-	94,704
International Conferences I.T.F./I.M.O.	26,061	1,635
Maritime Industry Seagoing Award	11,747	9,221
NMSC/Qualifications	54	3,534
NSW Power Industry	3,033	726
Offshore conference	77,787	-
Offshore expenses	17,073	11,593
Port Authority	765	-
Port Services Award	950	1,251
Red Ensign Campaign/Shipping Reform	4,692	40,585

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
5. EXPENSES (CONT'D)		
5A. PROJECTS (CONT'D)		
Shipping Reform and Political Lobby	94,936	-
Small Ships	-	54
Surveyors	148	1,489
Tugs	49,932	20,567
Project – QLD Branch	25,809	-
	<u>\$456,138</u>	<u>\$ 330,647</u>
5B. AFFILIATIONS FEES		
Head Office		
ACTU	8,865	8,570
ITF	4,325	3,882
Victoria		
ALP	1,174	1,232
Vic Trade Hall	1,728	1,427
Geelong	91	184
SWT&LC	-	21
Tasmania		
ALP	719	782
West Australia		
ALP	505	450
TLC	1,967	1,664
South Australia		
ALP	732	729
Queensland		
ALP	4,518	2,497
QCU	2,767	4,658
NSW District		
ALP	3,648	2,826
Unions NSW	2,331	3,002
	<u>\$33,370</u>	<u>\$31,924</u>
5C. CONFERENCE EXPENSES		
ITF	26,061	4,450
WA Offshore	34,017	35,807
Sydney Offshore	43,477	-
East National	-	58,818
	<u>\$103,555</u>	<u>\$99,075</u>
5D. TRAINING EXPENSES		
ACTU	-	921
Unions NSW	218	-
Peter Ferguson	1,650	-
	<u>\$1,868</u>	<u>\$921</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
6. CASH ASSETS		
Cash on Hand	1,910	1,910
Cash at Bank	621,373	551,866
Deposits at Call	3,148,174	1,382,443
	<u>\$3,771,457</u>	<u>\$1,936,219</u>
7. ASSET REVALUATION RESERVE		
Opening Balance	2,535,998	2,536,268
Revaluation increment on freehold land and buildings	-	(280)
Closing Balance	<u>\$2,535,998</u>	<u>\$2,535,998</u>
8. GENERAL FUND		
Retained Surplus/(Deficit) at the Beginning of the Year	3,388,291	3,275,268
Operating Surplus/(Deficit) for the Year	(6,892)	113,023
Retained Surplus/(Deficit) at the End of the Year	<u>\$3,381,309</u>	<u>\$3,388,291</u>
9. PROPERTY, PLANT AND EQUIPMENT		
Freehold Land and Buildings		
52 Buckingham Street, Surry Hills		
Sydney (at 2010 Independent Valuation + additions)	1,647,550	1,647,550
South Australia (at 2010 Valuation)	660,000	660,000
Newcastle (at 2010 Valuation + additions)	451,718	451,718
Victoria (at cost plus additions)	1,108,646	1,108,646
Western Australia (at cost plus additions)	426,125	426,125
Queensland (at 2010 Valuation)	320,000	320,000
	<u>4,614,039</u>	<u>4,614,039</u>
Less: Accumulated Depreciation	<u>(363,618)</u>	<u>(324,380)</u>
	<u>4,250,421</u>	<u>4,289,659</u>
Motor Vehicles		
Motor Vehicles - at cost	214,931	214,931
Less: Accumulated Depreciation	<u>(141,668)</u>	<u>(117,520)</u>
	<u>73,263</u>	<u>97,411</u>
Furniture and Fittings		
Furniture and Fittings - at cost	191,885	188,896
Less: Accumulated Depreciation	<u>(141,472)</u>	<u>(133,714)</u>
	<u>50,413</u>	<u>55,182</u>
Office Equipment		
Office Equipment - at cost	147,702	132,626
Less: Accumulated Depreciation	<u>(112,684)</u>	<u>(99,836)</u>
	<u>35,018</u>	<u>32,790</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
9. PROPERTY, PLANT AND EQUIPMENT (CONT'D)		
Sundry Assets		
The following items are included in Sundry Assets: Noise Level Meters; Bindings for Publications and Reports; Hot Water Systems; Telephone Installations.		
Sundry Assets - at cost	8,799	8,799
Less: Accumulated Depreciation	<u>(7,583)</u>	<u>(7,374)</u>
	<u>1,216</u>	<u>1,425</u>
Total written down value	<u><u>\$4,410,331</u></u>	<u><u>\$4,476,467</u></u>

Reconciliation of Opening and Closing Balances of Property, Plant and Equipment

	Land and Buildings	Motor Vehicles	Furniture and Fittings	Office Equipment	Sundry Assets	Total
Gross Book Value at 1 July 2012	4,614,039	214,931	188,896	132,626	8,799	5,159,291
Accumulated Depreciation	<u>(324,380)</u>	<u>(117,520)</u>	<u>(133,714)</u>	<u>(99,836)</u>	<u>(7,374)</u>	<u>(682,824)</u>
Net Book Value 30 June 2012	4,289,659	97,411	55,182	32,790	1,425	4,476,467
Additions:						
By purchase	-	-	2,989	15,076	-	18,065
Depreciation	<u>(39,238)</u>	<u>(24,148)</u>	<u>(7,758)</u>	<u>(12,848)</u>	<u>(209)</u>	<u>(84,201)</u>
Net Book Value 30 June 2013	<u><u>4,250,421</u></u>	<u><u>73,263</u></u>	<u><u>50,413</u></u>	<u><u>35,018</u></u>	<u><u>1,216</u></u>	<u><u>4,410,331</u></u>
Net Book Value as of 30 June 2013 represented by:						
Gross Book Value	4,614,039	214,931	191,885	147,702	8,799	5,177,356
Accumulated Depreciation	<u>(363,618)</u>	<u>(141,668)</u>	<u>(141,472)</u>	<u>(112,684)</u>	<u>(7,583)</u>	<u>(767,025)</u>
Net Book Value 30 June 2013	<u><u>4,250,421</u></u>	<u><u>73,263</u></u>	<u><u>50,413</u></u>	<u><u>35,018</u></u>	<u><u>1,216</u></u>	<u><u>4,410,331</u></u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
10. INVESTMENTS		
Shares in Listed Companies - at market value	87,717	87,166
Macquarie Managed Portfolio - at market value	-	1,448,740
	<u>\$87,717</u>	<u>\$1,535,906</u>
11. AUDITOR'S REMUNERATION		
Amounts received, or due and receivable, by Auditors for:		
Non Audit Services	-	-
Auditing the Accounts	<u>\$48,790</u>	<u>\$60,344</u>
Included above are amounts received, or due and receivable, by Auditors other than KSG Assurance & Audit Services Pty Ltd		
Auditing the Accounts (Branches)	<u>\$8,080</u>	<u>\$10,604</u>
12. SALARIES AND BENEFITS - OFFICIALS AND STAFF		
 Holders of Office		
Wages and Salaries	214,403	
Superannuation	35,496	
Leave and Other Entitlements	50,290	
Separations and Redundancies	-	
Other Employee Expenses	<u>9,884</u>	
	<u>310,073</u>	
 Employees Other Than Holders of Office		
Wages and Salaries	1,071,260	
Superannuation	328,994	
Leave and Other Entitlements	215,686	
Separations and Redundancies	-	
Other Employee Expenses	<u>53,207</u>	
	<u>1,669,147</u>	
	<u>\$1,979,220</u>	<u>\$1,495,110</u>

Employee expenses disclosed under Holders of Office include Robert Ashton (Newcastle Secretary) and Phillip Olsen (Secretary West Australia Branch). Martin Byrne and Henning Christiansen also hold office however these are unpaid positions.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
13. TRAVEL AND ACCOMMODATION		
Head Office	45,362	60,060
NSW District	386	-
Newcastle Branch	2,330	6,719
Victoria Branch	1,258	2,113
Western Australia Branch	171	1,140
Queensland Branch	8,851	5,584
South Australia Branch	-	-
	<u>\$58,358</u>	<u>\$75,616</u>
14. CONFERENCE AND MEETING EXPENSES		
Travel and Accommodation (note 13)	58,358	75,616
Conference Expenses (note 5C)	103,555	99,075
	<u>\$161,913</u>	<u>\$174,691</u>
15. STATEMENT OF CASH FLOWS		
(a) Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus/(Deficit)		
OPERATING SURPLUS/(DEFICIT)	<u>(6,982)</u>	<u>113,023</u>
ADD BACK:		
Adjustment to Reserves	-	800
Deficit on Sale of Property, Plant and Equipment	-	3,120
Realised Loss on Investments	-	21,170
Unrealised Loss on Investments	-	39,575
Depreciation	84,201	87,055
Increase in Sundry Creditors and Accruals	30,324	24,691
Increase in Provision for Annual Leave	44,862	56,116
Increase in Provision for Long Service Leave	41,849	45,530
Decrease in Sundry Debtors	-	1,718
Increase in Contributions Received in Advance	491,722	-
	<u>692,958</u>	<u>279,775</u>
	<u>685,976</u>	<u>392,798</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
15. STATEMENT OF CASH FLOWS (CONT'D)		
DEDUCT:		
Surplus on Sale of Property, Plant and Equipment	-	-
Realised Gain on Investments	68,669	-
Unrealised Gain on Investments	-	-
Macquarie Managed Portfolio Net Income Reinvested	11,022	53,423
Dividend Reinvested	551	-
Decrease in Contributions Received in Advance	201,590	349,307
Increase in Sundry Debtors	79,272	-
	361,104	402,730
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$324,872	\$(9,932)
(b) Reconciliation of Cash:		
Cash on Hand	1,910	1,910
Cash at Bank	621,373	551,886
Deposits at Call	3,148,174	1,382,443
	\$3,771,457	\$1,936,219

(c) The union has no credit stand-by or financing facilities in place.

(d) There were no non-cash financing or investing activities during the year.

16. RELATED PARTY DISCLOSURES

16A. Related Party Transactions for the Reporting Period

There were no transactions with related parties during the financial year.

16B. Key Management Personnel Remuneration for the Reporting Period

Short term Employee Benefits	
Salary (including annual leave taken)	627,781
Annual Leave Accrued	(23,060)
Performance Bonus	-
	604,721
Post Employment Benefits	
Superannuation	88,426
	88,426
Other Long Term Benefits	
Long Service Leave Accrued	7,776
	7,776
Total Benefits	\$700,923

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$

16. RELATED PARTY DISCLOSURES (CONT'D)

16B. Key Management Personnel Remuneration for the Reporting Period (Cont'd)

Key management personnel include Martin Byrne and Henning Christiansen who are employees of the Australian Institute of Marine and Power Engineers but also holders of office. Mr Byrne holds office as Sydney Branch Secretary and Federal Treasurer. Mr Christiansen holds office as Newcastle Federal Councillor and Federal Vice President. Mr Byrne and Mr Christiansen receive remuneration under their employment contracts (which is disclosed above) but do not receive remuneration for holding office.

Honorariums paid to elected officials are not included in the above remuneration figures. The honorariums are voluntary payments intended to cover the costs of holding office and are not considered remuneration. Honorariums are disclosed under salaries and benefits (note 12).

16C. Transactions with Key Management Personnel and their Close Family Members

Marie Ashton, wife of Robert Ashton, is employed by the Australian Institute of Marine and Power Engineers on a part-time basis in the role of office assistant. Mrs Ashton's employment conditions were the same as offered to unrelated employees and her remuneration was at market rates. Total remuneration including superannuation for the period whilst Robert Ashton was in office-

\$36,266

17. SEGMENT REPORTING

The Union operates predominantly in one business and geographical segment, being a union of employees providing industrial and workplace relations services to its members in Australia.

18. FINANCIAL INSTRUMENTS

Interest Rate Risk

AIMPE'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 those financial assets is not material. AIMPE's exposure to interest rate risk is detailed in note 18F.

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 value of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to and forming part of those financial statements and note 18D.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the entity.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$

18. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity Risk

Liquidity risk arises from the possibility that AIMPE might encounter difficulty in settling its debts or meeting its obligations in relation to financial liabilities. AIMPE manages that risk by preparing cash flow forecasts and only investing surplus cash. AIMPE's exposure to liquidity risk is disclosed in note 18E.

Net Fair Values

Assets and liabilities have been valued at their net fair value at balance date. This value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying value exceeds fair net values have not been written down as the company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial statements and at note 18G.

18A. Categories of Financial Instruments

Financial Assets

Cash and Cash Equivalents	623,283	553,776
Receivables	146,378	67,106
Held to Maturity Investments		
- Term Deposits	3,148,174	1,382,443
Available for Sale Assets		
- Shares in Listed Companies – at market value	87,717	87,166
- Macquarie Managed Portfolio – at market value	-	1,448,740
Carrying Amount of Financial Assets	\$4,005,552	\$3,539,231

Financial Liabilities

Other Financial Liabilities		
- Contributions Received in Advance	491,722	201,590
- Trade and Other Payables	250,853	220,529
Carrying Amount of Financial Liabilities	\$742,575	\$422,119

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
18. FINANCIAL INSTRUMENTS (CONT'D)		
18B. Net Income and Expense from Financial Assets		
Cash and Cash Equivalents		
- Interest	9,031	-
Receivables		
-	-	-
Held to Maturity Investments		
- Interest	179,667	88,840
Available for Sale Assets		
- Dividends	3,275	6,144
- Net income received – Macquarie Managed Portfolio	11,022	53,423
- Other Trust Distributions	493	-
-Realised Gain/(Loss) on Disposal	68,669	(21,170)
- Change in Market Value	-	(39,575)
Net Gain (Loss) from Financial Assets	<u>\$272,157</u>	<u>\$87,662</u>

18C. Net Income and Expense from Financial Liabilities

Other Financial Liabilities		
-	-	-
Net Gain (Loss) from Financial Liabilities	<u>\$-</u>	<u>\$-</u>

18D. Credit Risk

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial Assets		
Cash and Cash Equivalents	623,283	553,776
Receivables	146,378	67,106
Held to Maturity Investments	3,148,174	1,382,443
Available for Sale Assets	87,717	1,535,906
Total	<u>\$4,005,552</u>	<u>\$3,539,231</u>
Financial Liabilities		
Other Financial Liabilities	742,575	422,119
Total	<u>\$742,575</u>	<u>\$422,119</u>

No assets have been pledged or held as collateral.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
18. FINANCIAL INSTRUMENTS (CONT'D)		

18D. Credit Risk (Cont'd)

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

	Not past due or impaired 2013	Past due or impaired 2013	Not past due or impaired 2012	Not past due or impaired 2012
Cash and Cash Equivalents	623,283	-	553,776	-
Receivables	146,378	-	67,106	-
Held to Maturity Investments	3,148,174	-	1,382,443	-
Available for Sale Assets	87,717	-	1,535,906	-
	<u>\$4,005,552</u>		<u>\$3,539,231</u>	

Ageing of financial assets that were past due but not impaired 2013:

	0 – 30 days	31 – 60 days	61 – 90 days	90+ days	Total
Cash and Cash Equivalents	623,283	-	-	-	623,283
Receivables	146,378	-	-	-	146,378
Held to Maturity Investments	3,148,174	-	-	-	3,148,174
Available for Sale Assets	87,717	-	-	-	87,717
	<u>\$4,005,552</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$4,005,552</u>

Ageing of financial assets that were past due but not impaired 2012:

	0 – 30 days	31 – 60 days	61 – 90 days	90+ days	Total
Cash and Cash Equivalents	553,776	-	-	-	553,776
Receivables	67,106	-	-	-	67,106
Held to Maturity Investments	1,382,443	-	-	-	1,382,443
Available for Sale Assets	1,535,906	-	-	-	1,535,906
	<u>\$3,539,231</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$3,539,231</u>

18E. Liquidity Risk

Contractual maturities for financial liabilities 2013:

	On Demand	<1 Year	1-2 Years	2-5 Years	>5 Years	Total
Other Financial Liabilities	491,722	250,853	-	-	-	742,575
	<u>\$491,722</u>	<u>\$250,853</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$742,575</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
18. FINANCIAL INSTRUMENTS (CONT'D)		

18E. Liquidity Risk (Cont'd)

Contractual maturities for financial liabilities 2012:

	On Demand	<1 Year	1-2 Years	2-5 Years	>5 Years	Total
Other Financial Liabilities	201,590	220,529	-	-	-	422,119
	<u>\$201,590</u>	<u>\$220,529</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$422,119</u>

18F. Interest Rate Risk

Sensitivity analysis of the risk that the entity is exposed to for 2013

	Change in Risk Variable %	Effect on Profit and Loss	Effect on Equity
Interest Rate Risk	+1%	+28,477	+28,477
Interest Rate Risk	-1%	-28,477	-28,477

Sensitivity analysis of the risk that the entity is exposed to for 2012

	Change in Risk Variable %	Effect on Profit and Loss	Effect on Equity
Interest Rate Risk	+1%	+19,712	+19,712
Interest Rate Risk	-1%	-19,712	-19,712

18G. Net Fair Values

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying amounts as presented in the balance sheet.

	Carrying Amount 2013	Fair Value 2013	Carrying Amount 2012	Fair Value 2012
Cash and Cash Equivalents	623,283	623,283	553,776	553,776
Receivables	146,378	146,378	67,106	67,106
Held to Maturity Investments	3,148,174	3,148,174	1,382,443	1,382,443
Available for Sale Assets	87,717	87,717	1,535,906	1,535,906
	<u>\$4,005,552</u>	<u>\$4,005,552</u>	<u>\$3,539,231</u>	<u>\$3,539,231</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

19. UNION DETAILS

The principal place of business of the Union is:

Australian Institute of Marine and Power Engineers
52 Buckingham Street
SURRY HILLS NSW 2010

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

COMMITTEE OF MANAGEMENT STATEMENT

On 14th October 2014 the Committee of Management passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2013:

The Committee of Management declares 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 financial 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 GPFR relates and since the end of that year:
 - (i) meetings of the committee of management 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 *Fair Work (Registered Organisations) Act 2009*; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the *Fair Work (Registered Organisations) Act 2009*.
- (f) in relation to recovery of wages activity:
 - (i) no revenue has been derived by AIMPE in relation to the recovery of wages activity.

Signed on behalf of the Committee of Management by:

TERRY SNEE
Name:

President
Title of Office held:

Signed at Brisbane ~~Sydney~~ this 14th day of October 2014

Terry Snee

**ACCOUNTANT'S COMPILATION REPORT
TO THE AUSTRALIAN INSTITUTE
OF MARINE AND POWER ENGINEERS**

We have compiled the accompanying general purpose financial statements of the Australian Institute of Marine And Power Engineers which comprise the Statement of Financial Position as at 30 June 2013, the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory notes. These have been prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The Responsibility of Committee of Management

The Committee of Management of the Australian Institute of Marine And Power Engineers are solely responsible for the information contained in the general purpose financial statements and have determined that the accounting policies used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the Committee of Management we have compiled the accompanying general purpose financial statements in accordance with Australian Accounting Standards and APES 315 *Compilation of Financial Information*.

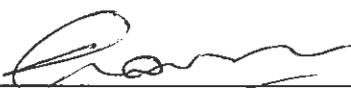
Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Committee of Management provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The general purpose financial statements were compiled exclusively for the benefit of the Committee of Management. We do not accept responsibility to any other person for the contents of the general purpose financial statements.

Name of Firm: Key Solutions Group (Accountants and Business Consultants) Pty Ltd

Address: Suite 255, High Park Tower, 813 Pacific Highway, Chatswood NSW 2067

Name of Principal:


Glenn Cousins

Date: 14th day of October 2014

Key Solutions Group (Accountants & Business Consultants) Pty Ltd

Level 2, 813 Pacific Highway
Chatswood NSW 2067
PO Box 1290 Chatswood 2057

P +61 2 9406 5900
F +61 2 9406 5999
E mailus@ksg.com.au



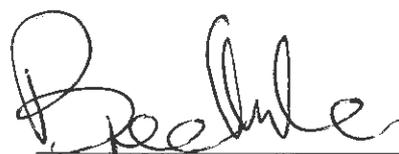
Liability limited
a scheme approved
under Professional
Standards Legislation

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*
TO COMMITTEE OF MANAGEMENT OF THE AUSTRALIAN INSTITUTE
OF MARINE ANDPOWER ENGINEERS**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013, there have been:

- (a) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

KSG Assurance & Audit Services Pty Limited
Chartered Accountants



Bruce Howle
Managing Principal

Dated at Sydney this 14th day of October 2014

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE
OF MARINE AND POWER ENGINEERS**

Scope

We have audited the financial report, being a general purpose financial report, of Australian Institute of Marine and Power Engineers ("the Union") for the year ended 30 June 2013 as set out on pages 4 to 19. This report comprises the Committee of Management Statement, income statement, balance sheet, statement of changes in equity, cash flow statement and notes comprising a summary of significant accounting policies and other explanatory information.

The Union's Committee of Management is responsible for the financial report and has determined that the accounting policies used and described in Note 2 to the financial statements are appropriate to meet the needs of the members. The Committee of Management's responsibility also includes such internal control as the Committee determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards and the *Fair Work (Registered Organisations) Act 2009*. Those standards require that we comply with ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatements.

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 Union'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 policies used and the reasonableness of accounting estimates made by the members of the Committee of Management, as well as 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.

Independence

In conducting our audit, we followed applicable independence requirements of the *Corporations Act 2001*.

Audit Opinion

In our opinion, the financial report of Australian Institute of Marine and Power Engineers is:

- (a) giving a true and fair view of the Union's financial position as at 30 June 2013 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2; and
- (b) complying with Accounting Standards to the extent described in Note 2 and the *Fair Work (Registered Organisations) Act 2009*.

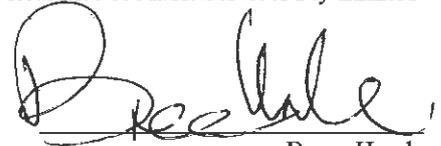
We declare that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statement is appropriate.

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE
OF MARINE AND POWER ENGINEERS (CONT'D)**

Basis of accounting

Without modifying our opinion, we draw attention to Note 2 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee of Management's financial reporting responsibilities to its members and for the purposes of *Fair Work (Registered Organisations) Act 2009*. As a result, the financial report may not be suitable for another purpose.

KSG Assurance & Audit Services Pty Limited



Bruce Howle
Managing Principal

Holder of Public Practice Certificate issued
by The Institute of Chartered Accountants in Australia

Dated at Sydney this 14th day of October 2014



21 May 2014

Martin Byrne
Federal Treasurer
Australian Institute of Marine and Power Engineers
52 Buckingham Street
Surry Hills NSW 2010

via e-mail: mbyrne@aimpe.asn.au

Dear Mr Byrne

**Australian Institute of Marine and Power Engineers
Financial Report for the year ended 30 June 2013 - FR2013/302**

I acknowledge receipt of the financial report for the year ended 30 June 2013 for the Australian Institute of Marine and Power Engineers (AIMPE). The financial report was lodged with Fair Work Commission (FWC) on 29 January 2014.

The financial report has not been filed. I have examined the report and identified a number of matters, the details of which are set out below, that you are required to address before the report can be filed.

The Operating Report, General Purpose Financial Report (GPFR) and Auditor's Statement will require amendments. The amended report will need to be presented to a Committee of Management meeting, republished on the AIMPE website and lodged with FWC.

The matters identified should be read in conjunction the *Fair Work (Registered Organisations) Act 2009* (the RO Act), *Fair Work (Registered Organisations) Regulations 2009* (the RO Regs), Reporting Guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards. A 'Model financial statements' is also available on the FWC website to assist organisations in preparing returns.

1. Operating Report

Period of membership of committee of management

Regulation 159(c) of the RO Regulations requires the reporting unit to disclose the period during which the listed officers served on the Committee of Management.

Officers and employees who are directors of a company or a member of a board

Item 37 of the Reporting Guidelines requires details of any officer or employee of the reporting unit who is a director of a company or a member of a board. Item 38 of the Reporting Guidelines also requires that if a reporting unit has no information to disclose relating to the abovementioned requirement that a statement to that effect must be included in the Operating Report.

Please amend the Operating Report accordingly.

2. General Purpose Financial Report

For-profit or not-for profit entity

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 8(b) requires that the entity disclose whether, for the purposes of preparing the financial statements, it is a for-profit or not-for-profit entity.

This information has not been provided.

New and Future Australian Accounting Standards

Australian Accounting Standard *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* paragraphs 14 and 28 require that the entity disclose:

- Australian Accounting Standards adopted during the period; and
- Australian Accounting Standards issued but not yet effective with an assessment of the future impact of the standard on the entity.

This information has not been provided.

Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

Financial instruments disclosures

Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* details the reporting disclosures required by an entity in relation to financial instruments.

This information has not been provided.

Disclosure of employee expenses/provisions for office holders and other employees

The Reporting Guidelines require reporting units to disclose in the Statement of Comprehensive Income or in the notes to the financial statements employee expenses to holders of office (item 17(f)) and employee expenses to other employees (item 17(g)).

The Reporting Guidelines also require either the Statement of Financial Position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (item 21(c) and 21 (d)).

This information has not been provided.

Disclosure of audit fees

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 10 requires the financial statements to separately disclose amounts paid to the auditor for audit fees and for non-audit services.

This information has not been provided.

Property, plant and equipment disclosures

Australian Accounting Standard *AASB 116 Property, Plant and Equipment* paragraph 73 requires specific disclosures for each class of property, plant and equipment.

This information has not been provided.

Staff training expense note discrepancy

The Income Statement reports 'Staff training' expense \$1,868. The corresponding note 4(D) reports \$680.

This discrepancy will need to be explained.

Activities under Reporting Guidelines not disclosed

Items 14, 16, 18, 20, 22 and 26 of the RG state that if the activities identified in items 10, 11, 13, 15, 17, 19, 21 and 25 respectively have not occurred in the reporting period, a statement to this effect must be included in the notes to the GPFR. I note that for the following items no such disclosure has been made:

- 10 going concern financial support received from another reporting unit
- 11 going concern financial support provided to another reporting unit
- 13 business combinations
- 15(d) donations or grants received
- 15(e) financial support received from another reporting unit
- 17(a) fees incurred as consideration for employers making payroll deductions of membership subscriptions
- 17(d) compulsory levies imposed
- 17(h) fees or allowances paid to persons to attend a conferences or other meeting as a representative of the reporting unit
- 17(i) expenses incurred with holding meeting of members or any conferences or meeting of councils, committees, panels or other bodies
- 17(k) penalties imposed under the RO Act.
- 19 receivable or payable with another reporting unit
- 21(a) payables to employers as consideration for the employers making payroll deductions of membership subscriptions
- 21(b) payables in respect of legal costs and other expenses related to litigation or other legal matters
- 25 cash flows to/from other reporting units and/or controlled entity to be reported in Cash Flow Statement or in the notes to the GPFR

3. Auditor's Statement

Auditor's qualifications

Regulation 4 of the RO Regulations provides the definition of an approved auditor. Item 44 of the Reporting Guidelines requires that in the Auditor's Statement, the auditor must declare they are either an approved auditor or the auditor is a member of a firm where at least one member is an

approved auditor and must specify that the auditor is a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the Institute of Public Accountants, and holds a current Public Practice Certificate.

Audit conducted in accordance with auditing standards

Auditing Standard ASA 700 paragraph 30 states:

The auditor's report shall state that the audit was conducted in accordance with Australian Auditing Standards. The auditor's report shall also explain that those standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

Declaration relating to going concern basis of accounting

Item 45 of the Reporting Guidelines requires that the Auditor's Statement include a declaration, that as part of the audit of the financial statements, they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statement is appropriate. No such declaration is contained in the Auditor's Statement.

Please discuss this with your auditor. The Auditor's Statement should provide a view on whether management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statement is appropriate.

Please arrange for the auditor to issue an amended statement to address the abovementioned issues.

Should refer to Committee of Management Statement

The scope of the Auditor's Statement on the full financial report should include the Committee of Management Statement (RO Act section 253(2)(c) and item 43 of the Reporting Guidelines).

Please have the auditor confirm, in a written statement, that the Committee of Management Statement was included in the audit scope and subsequently audited.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7675 or by email at ken.morgan@fwc.gov.au

Yours sincerely



Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch



AIMPE

Australian Institute of
Marine and Power Engineers
HEAD OFFICE

Australian Institute of Marine and Power Engineers

s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30th June 2013

I *Martin Byrne* being the *Federal Treasurer* of the Australian Institute of Marine and Power Engineers certify:

- that the documents lodged herewith are copies of the full report for the Australian Institute of Marine and Power Engineers for the period ended 30th June 2013 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the lodgement of these documents has been the subject of an extension of time granted by the Delegate of the General Manager of the Fair Work Commission on 14th January 2014; and
- that the *full report* was provided to members of the reporting unit on 7th January 2014 by uploading to the union website (and subsequently by mailing a printed copy to each member at their home address); and
- that the full report was presented to the Federal Executive (Committee of Management) of the reporting unit on 18th December 2013, in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*. Subsequently the full report was also presented to a general meeting of members on 28th January 2014.

Signature of prescribed designated officer:

Name of prescribed designated officer: Martin Byrne

Title of prescribed designated officer: Federal Treasurer

Dated: 29th January 2014



AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

CONTENTS

Item	Page
1. Operating Report	1 - 3
2. Income Statement	4 - 6
3. Balance Sheet	7
4. Statement of Changes in Equity	8
5. Cash Flow Statement	9
6. Recovery of Wages Activity	10
7. Notes to the Financial Statements	11 – 19
8. Committee of Management Statement	20
9. Auditor's Independence Declaration	21
10. Independent Audit Report	22

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

OPERATING REPORT

I, Martin Byrne, Federal Treasurer of the Australian Institute of Marine and Power Engineers, hereby report on the operations of the AIMPE during 2012-13 as follows:

- (a) The **principal activities** of the AIMPE continue to be the protection of the rights and entitlements of AIMPE members both individually and collectively, the defence of professional standards for marine engineers and the promotion of the Australian maritime industry. As a result of these activities the AIMPE negotiated numerous collective agreements with various employers in the maritime industry. These were submitted to Fair Work Australia for approval (following endorsement by the members concerned).

Throughout 2012-13 AIMPE continued to campaign in support of professional standards for marine engineering certification and training. This involved significant lobbying activity around a proposed new Marine Engineers Qualifications Bill which was presented to Federal Parliament in June 2013. Substantial resources were directed to this priority issue and the Bill was approved by the Senate although Parliament adjourned before it could be presented to the House of Representatives.

Another matter pursued in the Federal political arena was the proliferation of s.457 visas for foreign engineers. AIMPE was successful in promoting a change to proposed legislation to ensure that visa applications for engineers – including marine engineers – are now to be subject to a labour market test. This should assist in reducing the abuse of s.457 visas and also help unemployed Australian marine engineers to obtain employment.

AIMPE also continued the special recruitment campaign in the dredging sector with special emphasis on the major LNG terminal dredging for the Wheatstone Project near Onslow in Western Australia. This involved the expenditure of additional resources in supporting the staff members who carried out this organising campaign.

To disseminate information to members, AIMPE maintains an active **communication** strategy encompassing direct mail of the union magazine (On Watch) to members' home address, monthly reports to all ships with members on board, email communications to ships where available and regular monthly meetings at major locations around the country. Ten editions of On Watch were produced and distributed including a combined December-January edition during the holiday season. AIMPE continued in 2012-13 to make the On Watch available online on the union's website www.aimpe.asn.au. This is available in a password protected members only section of the website.

Throughout 2012-13, AIMPE also retained its long-standing **affiliations** with the International Transport Workers Federation, the Australian Council of Trade Unions and the Australian Labor Party.

- (b) Regarding the **financial affairs** of the AIMPE in 2012-13 – membership fee income was again up on the income in the previous financial year due to another increase in membership numbers as well as a 5% increase in fees. AIMPE disposed of the managed investments during 2012-13 and directed the amount realized in to Term Deposits which the Federal Council regarded as a more secure investment in times of financial uncertainty especially in Europe.

AIMPE owns all of the premises in which our offices are located. During 2012-13 AIMPE completed a substantial refurbishment project on the Head Office premises in Surry Hills, Sydney. This included completion of the exterior repainting and the re-painting and re-carpeting of the second floor interior. The result is a much improved meeting space for members and work space for staff.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

OPERATING REPORT (CONTINUED)

AIMPE continued in 2012-13 to let some space out to tenants in our Head Office in Surry Hills, Sydney and in our SA Branch office in Port Adelaide. In addition, at the Melbourne premises AIMPE owns 4 car spaces which are leased on a commercial basis.

- (c) **Members** are entitled to resign by providing a notice of resignation in writing to the Branch Secretary of the Branch to which the member belongs as provided by Rule 31.

31 - RESIGNATIONS AND EXCLUSIONS

- (i) *Notice in writing of resignation shall be addressed and delivered to the Branch Secretary of the Branch to which the member currently belongs.*
- (ii) *A member may resign from membership by written notice which shall take effect:*
- (a) *Where the member ceases to be eligible to become a member of the Institute:*
- *on the day on which the notice is received; or*
 - *on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;*
- whichever is later; or*
- (b) *in any other case:*
- *at the end of two (2) weeks after the notice is received; or*
 - *on the day specified in the notice;*
- whichever is later.*
- (iii) *Any dues payable but not paid by a former member, in relation to a period before the member's resignation took effect, may be sued for and recovered by the Institute, as a debt due.*
- (iv) *A notice delivered as required by Rule 31(i) shall be taken to have been received by the Institute when it was delivered and such notice is not invalid because it was not addressed and delivered in accordance with Rule 31(i).*
- (v) *A resignation from membership is valid even if it is not effected in accordance with this Rule if the member is informed in writing by or on behalf of the Institute that the resignation has been accepted.*
- (vi) *A member excluded for arrears may rejoin, subject to Rule 27, and shall comply with the provisions of Rule 28 and pay all arrears owing by the member at the date of his/her exclusion.*
- (vii) *The Branch Secretary or any person designated by the Federal President/Federal Executive has discretion to apply an alternative arrangement to 31(vi) to the mutual benefit of the AIMPE and the rejoining member.*

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

OPERATING REPORT (CONTINUED)

During 2012-13 there were 144 members who resigned from the AIMPE – slightly more than the 134 who resigned in 2011-12. These figures also include members who died during the period.

The number of new members who joined the AIMPE in 2012-13 was 222 - a decrease on the 293 new members in the previous year. At 30th June 2013 the total number of members in the union was 3,582 [including Honorary members] up from the 3,490 in 2011-12. The number of Honorary members of the AIMPE in 2012-13 was 747 up slightly from 734 in 2011-12. That is there were 2,835 fee paying members of AIMPE during 2011-12 compared with 2,756 in 2011-12.

AIMPE's fee paying membership has been increasing modestly each year for at least the last 9 years. This has been due to the increase in activity and employment in the offshore oil and gas sector and the dredging sector. In addition there has been an increase in port activities such as towage - caused by the resources boom. There has been a decline in the coastal shipping sector employment however AIMPE Organisers have expanded the union's area of coverage since the enactment of the Fair Work Act with its improved collective bargaining rights for employees.

- (d) The Federal Executive of the AIMPE for 2012-13 was elected by the 2012 Federal Council in a ballot conducted by the Australian Electoral Commission. This is the **Committee of Management** of the organisation. The persons elected were:

Federal President	Terry Snee,
Senior Vice President	Peter Toohey,
Vice Presidents	Henning Christiansen and
	Monty Woolley,
Federal Treasurer	Martin Byrne.

No member of the Federal Executive of the AIMPE is a trustee of a superannuation entity or an exempt public sector superannuation scheme – except that one member of the Federal Executive, Monty Woolley, has established a self-managed superannuation fund. No member of the Federal Executive of the AIMPE is a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme– except that one member of the Federal Executive, Monty Woolley, is a Director of a company that is trustee of his self-managed superannuation fund. The Federal President and the Federal Treasurer are the AIMPE representatives on the Policy Committee of the AIMPE Superannuation Plan. These positions are advisory in nature and are honorary only. The trustee of the plan is the AMP.

- (e) The total number of people employed by AIMPE during the course of 2012-13 was 21 [comprising 13 full-time staff, 3 part-time staff and 5 casual/temporary staff members]. As at 30th June 2013 the number of people employed was 16 – 13 full time and 3 part time staff. The part time staff represent 1.8 full time equivalent employees. One full time staff member took maternity leave during the year with her position being filled by temporary employees.

This report was prepared by Martin Byrne who is the AIMPE Federal Treasurer.

Signed



MARTIN BYRNE,
Federal Treasurer, AIMPE

Dated this 24th day of October 2013

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013	2012
		\$	\$
INCOME			
Membership Contributions (including arrears, entrance fees and less refunds)		2,768,193	2,649,767
On Watch Subscriptions		0	5,882
Capitation fees		0	0
Levies		0	0
Interest Received		188,701	88,840
Dividends Received		3,275	6,144
Net Income Received - Macquarie Managed Portfolio		11,022	53,423
Other Trust Distributions		493	0
Rent		44,507	50,075
Car Park Leases		12,500	0
Sundry		16,418	2,253
Surplus/(Deficit) on Sale of Property, Plant and Equipment		0	(3,120)
Realised Gain/(Loss) on Investments		68,669	(21,170)
Unrealised Gain/(Loss) on Investments		0	(39,575)
TOTAL INCOME		<u>3,113,778</u>	<u>2,792,519</u>
EXPENDITURE			
PERSONNEL			
Salaries - Officials and Staff	3/11	1,551,639	1,240,251
Superannuation		364,490	356,505
Payroll Tax		42,113	37,683
Workers Compensation Insurance		13,877	11,965
Fringe Benefits Tax		7,101	6,592
		<u>1,979,220</u>	<u>1,652,996</u>
COMMUNICATIONS			
Postage & Freight		7,685	6,791
Printing & Stationery		9,549	13,784
Repairs & Maintenance - Office Equipment		2,841	3,078
Telephone, Internet & Facsimile		40,578	37,592
		<u>60,653</u>	<u>61,245</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

INCOME STATEMENT(CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013	2012
		\$	\$
EXPENDITURE (CONT'D)			
BUILDING			
Cleaning & Maintenance		16,897	16,530
Insurance		17,235	12,994
Light & Power		11,522	10,619
Rates, Taxes & Land Tax		24,341	29,426
Repairs & Maintenance		51,918	72,977
Body Corporate Fees		6,199	0
Agent Fees		0	2,846
		<u>128,112</u>	<u>145,392</u>
TRAVEL AND ACCOMMODATION	12	<u>58,358</u>	<u>75,615</u>
MOTOR VEHICLE EXPENSES			
Motor Vehicle Running Costs		<u>27,793</u>	<u>23,617</u>
		<u>27,793</u>	<u>23,617</u>
OTHER ADMINISTRATION			
Audit and Accountancy	10	48,790	60,344
Advertising		1,126	221
Affiliation Fees	4B	33,370	31,924
Bank Charges and Government Duties		25,268	18,383
Computer Software		7,582	120
Donations		34,091	21,041
Entertainment		723	860
Florist		118	350
Interest Paid		2,178	0
Legal Fees		48,019	24,388
Publications		4,962	3,663
Staff Amenities		1,502	4,897
Staff Training	4D	1,868	921
Sundry Expenses		14,732	17,310
		<u>224,329</u>	<u>184,422</u>
PROJECTS	4A	<u>456,138</u>	<u>330,647</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

**INCOME STATEMENT(CONT'D)
FOR THE YEAR ENDED 30 JUNE 2013**

	NOTE	2013	2012
		\$	\$
EXPENDITURE (CONT'D)			
MISCELLANEOUS			
Depreciation - Buildings	2/8	39,238	47,775
Depreciation - Other	2/8	44,963	39,280
On Watch		<u>101,956</u>	<u>118,507</u>
		<u>186,157</u>	<u>205,562</u>
TOTAL EXPENDITURE		<u>3,120,760</u>	<u>2,679,496</u>
OPERATING SURPLUS/(DEFICIT)		<u>\$(6,982)</u>	<u>\$113,023</u>
Adjustment to Reserves		0	800
TOTAL CHANGES IN EQUITY	7	<u>\$(6,982)</u>	<u>\$113,823</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

BALANCE SHEET

AS AT 30 JUNE 2013

	NOTE	2013 \$	2012 \$
CURRENT ASSETS			
Cash Assets	5	3,771,457	1,936,219
Receivables		146,378	67,106
TOTAL CURRENT ASSETS		3,917,835	2,003,325
NON-CURRENT ASSETS			
Property, Plant and Equipment	8	4,410,331	4,476,467
Investments	9	87,717	1,535,906
TOTAL NON-CURRENT ASSETS		4,498,048	6,012,373
TOTAL ASSETS		8,415,883	8,015,698
CURRENT LIABILITIES			
Membership Contributions Received in Advance		491,722	201,590
Payables		250,853	220,529
Provision for Annual Leave	3	246,639	201,777
TOTAL CURRENT LIABILITIES		989,214	623,896
NON CURRENT LIABILITIES			
Provision for Long Service Leave	3	411,496	369,647
TOTAL NON-CURRENT LIABILITIES		411,496	369,647
TOTAL LIABILITIES		1,400,710	993,543
NET ASSETS		\$7,015,173	\$7,022,155
EQUITY			
General Fund	7	3,381,309	3,388,291
Asset Revaluation Reserve	6	2,535,998	2,535,998
Capital Realisation Reserve		1,097,866	1,097,866
TOTAL EQUITY		\$7,015,173	\$7,022,155

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	GENERAL FUND	ASSETS REVALUATION RESERVE	CAPITAL REALISATION RESERVE	TOTAL
		\$	\$	\$	\$
BALANCE AT 1 JULY 2011		3,275,268	2,536,268	1,096,796	6,908,332
Surplus/(Deficit) for the year		113,023	(270)	1,070	113,823
Other Comprehensive Income for the Year		0	0	0	0
BALANCE AT 30 JUNE 2012		3,388,291	2,535,998	1,097,866	7,022,155
Surplus/(Deficit) for the year		(6,982)	0	0	(6,982)
Other Comprehensive Income for the Year		0	0	0	0
BALANCE AT 30 JUNE 2013		<u>\$3,381,309</u>	<u>\$2,535,998</u>	<u>\$1,097,886</u>	<u>\$7,015,173</u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013	2012
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
RECEIPTS:			
Contributions, Entrance Fees and Levies Received from Members and "On Watch" Subscriptions		2,979,052	2,308,059
Interest Received		188,701	88,840
Dividends Received		3,218	6,144
Rent Income Received		44,507	50,075
Car Park Leases Received		12,500	0
Other Income Received		16,418	2,253
TOTAL RECEIPTS		<u>3,244,396</u>	<u>2,455,371</u>
PAYMENTS:			
Payments to Suppliers and Employees		2,356,517	2,016,149
Payment Relating to Projects		461,051	330,647
Payments Relating to "On Watch"		101,956	118,507
TOTAL PAYMENTS		<u>2,919,524</u>	<u>2,465,303</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	13a	<u>324,872</u>	<u>(9,932)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
RECEIPTS			
Withdrawals from Macquarie Managed Portfolio		1,528,431	0
Proceeds from Sale of Shares in Listed Companies		0	32,253
TOTAL RECEIPTS		<u>1,528,431</u>	<u>32,253</u>
PAYMENTS:			
Payment for Property, Plant and Equipment		<u>18,065</u>	<u>92,937</u>
TOTAL PAYMENTS		<u>18,065</u>	<u>92,937</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>1,510,366</u>	<u>(60,684)</u>
Net Increase / (Decrease) in Cash Held		1,835,238	(70,616)
Cash at the Beginning of the Financial year		<u>1,936,219</u>	<u>2,006,835</u>
CASH AT THE END OF THE FINANCIAL YEAR	13b	<u><u>\$3,771,457</u></u>	<u><u>\$1,936,219</u></u>

The attached notes form part of these accounts

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	2013 \$	2012 \$
CASH ASSETS IN RESPECT OF RECOVERED MONEY AT BEGINNING OF YEAR			
RECEIPTS:			
Amounts recovered from employers in respect of wages etc.		0	0
Interest Received on recovered money		0	0
TOTAL RECEIPTS		0	0
PAYMENTS:			
Deductions of amounts due in respect of membership for:			
12 months or less		0	0
Greater than 12 months		0	0
Deductions of donations or other contributions to accounts or funds of:			
The reporting unit:			
Name of account		0	0
Name of fund		0	0
Deductions of fees or reimbursement of expenses			
Payments to workers in respect of recovered money		0	0
TOTAL PAYMENTS		0	0
Cash asset's in respect of recovered money at end of year		0	0
Number of workers to which the monies recovered relates		0	0
Aggregate payables to workers attributable to recovered monies but not yet distributed			
Payable balance		0	0
Number of workers the payable relates to		0	0

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

1. INFORMATION TO BE PROVIDED TO MEMBERS

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of Division 7 section 272 which reads as follows:

- (a) A member of a reporting unit, or the Industrial Registrar, 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.
- (b) 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.
- (c) A reporting unit must comply with an application made under subsection (1).

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of *the Fair Work (Registered Organisations) Act 2009*.

The financial report has been prepared on a modified accruals basis of accounting where, in accordance with Division 3 section 252(4) of the *Fair Work (Registered Organisations) Act 2009*, membership subscriptions are kept on a cash basis. The financial report is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

No provision for income tax is necessary as trade unions are exempt from income tax under Section 50-15 of the *Income Tax assessment Act 1997*.

(b) Property, Plant and Equipment

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

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Property, Plant and Equipment (Cont'd)

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the economic entity to have an independent valuation every three years, with annual appraisals being made by the directors.

Plant and Equipment

Plant and equipment are measured on the cost basis.

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

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2 – 11.25%
Plant and equipment	9 - 60%

(c) Investments

Shares in listed companies held as current assets are valued by directors at those shares' market value at each balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities.

(d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the economic entity to the employee superannuation funds and are charged as expenses when incurred.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(f) Income

Income from the sale of goods is recognised upon the delivery of goods to customers.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

Income from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

(g) 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.

(h) Comparative Figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

3. PROVISIONS FOR HOLIDAY PAY AND LONG SERVICE LEAVE

The increase/(decrease) in current year provisions have been charged to operational expenditure at salary levels applicable at 30 June to Salaries

	2013	2012
	\$	\$
Provision for Annual Leave	44,862	56,116
Provision for Long Service Leave	41,849	45,530
	<u>\$86,711</u>	<u>\$101,646</u>

4. EXPENSES

4A. PROJECTS

Dredges	62,603	65,860
Federal Council	28,101	27,096
Federal Executive	12,466	21,074

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
4. EXPENSES (CONT'D)		
4A. PROJECTS (CONT'D)		
Federal President	39,981	31,258
National Conference	0	94,704
International Conferences I.T.F./I.M.O.	26,061	1,635
Maritime Industry Seagoing Award	11,747	9,221
NMSC/Qualifications	54	3,534
NSW Power Industry	3,033	726
Offshore conference	77,787	0
Offshore expenses	17,073	11,593
Port Authority	765	0
Port Services Award	950	1,251
Red Ensign Campaign/Shipping Reform	4,692	40,585
Shipping Reform and Political Lobby	94,936	0
Small Ships	0	54
Surveyors	148	1,489
Tugs	49,932	20,567
Project – QLD Branch	25,809	0
	<u>\$456,138</u>	<u>\$ 330,647</u>
4B. AFFILIATIONS FEES		
Head Office		
ACTU	8,865	8,570
ITF	4,325	3,882
Victoria		
ALP	1,174	1,232
Vic Trade Hall	1,728	1,427
Geelong	91	184
SWT&LC	0	21
Tasmania		
ALP	719	782
West Australia		
ALP	505	450
TLC	1,967	1,664
South Australia		
ALP	732	729
Queensland		
ALP	4,518	2,497
QCU	2,767	4,658
NSW District		
ALP	3,648	2,826
Unions NSW	2,331	3,002
	<u>\$33,370</u>	<u>\$31,924</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
4. EXPENSES (CONT'D)		
4C. CONFERENCE EXPENSES		
ITF	26,061	4,450
WA Offshore	34,017	35,807
Sydney Offshore	43,477	0
East National	0	58,818
	<u>\$103,555</u>	<u>\$99,075</u>
4D. TRAINING EXPENSES		
ACTU	440	921
Unions NSW	240	0
	<u>\$680</u>	<u>\$921</u>
5. CASH ASSETS		
Cash on Hand	1,910	1,910
Cash at Bank	621,373	551,866
Deposits at Call	3,148,174	1,382,443
	<u>\$3,771,457</u>	<u>\$1,936,219</u>
6. ASSET REVALUATION RESERVE		
Opening Balance	2,535,998	2,536,268
Revaluation increment on freehold land and buildings	0	(280)
Closing Balance	<u>\$2,535,998</u>	<u>\$2,535,998</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
7. GENERAL FUND		
Retained Surplus/(Deficit) at the Beginning of the Year	3,388,291	3,275,268
Operating Surplus/(Deficit) for the Year	<u>(6,892)</u>	<u>113,023</u>
Retained Surplus/(Deficit) at the End of the Year	<u><u>\$3,381,309</u></u>	<u><u>\$3,388,291</u></u>
8. PROPERTY, PLANT AND EQUIPMENT		
Freehold Land and Buildings		
52 Buckingham Street, Surry Hills		
Sydney (at 2010 Independent Valuation + additions)	1,647,550	1,647,550
South Australia (at 2010 Valuation)	660,000	660,000
Newcastle (at 2010 Valuation + additions)	451,718	451,718
Victoria (at cost plus additions)	1,108,646	1,108,646
Western Australia (at cost plus additions)	426,125	426,125
Queensland (at 2010 Valuation)	<u>320,000</u>	<u>320,000</u>
	4,614,039	4,614,039
Less: Accumulated Depreciation	<u>(363,618)</u>	<u>(324,380)</u>
	<u>4,250,421</u>	<u>4,289,659</u>
Motor Vehicles		
Motor Vehicles - at cost	214,931	214,931
Less: Accumulated Depreciation	<u>(141,668)</u>	<u>(117,520)</u>
	<u>73,263</u>	<u>97,411</u>
Furniture and Fittings		
Furniture and Fittings - at cost	191,885	188,896
Less: Accumulated Depreciation	<u>(141,472)</u>	<u>(133,714)</u>
	<u>50,413</u>	<u>55,182</u>
Office Equipment		
Office Equipment - at cost	147,702	132,626
Less: Accumulated Depreciation	<u>(112,684)</u>	<u>(99,836)</u>
	<u>35,018</u>	<u>32,790</u>
Sundry Assets		
The following items are included in Sundry Assets: Noise Level Meters; Bindings for Publications and Reports; Hot Water Systems; Telephone Installations.		
Sundry Assets - at cost	8,799	8,799
Less: Accumulated Depreciation	<u>(7,583)</u>	<u>(7,374)</u>
	<u>1,216</u>	<u>1,425</u>
Total written down value	<u><u>\$4,410,331</u></u>	<u><u>\$4,476,467</u></u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
9. INVESTMENTS		
Shares in Listed Companies - at market value	87,717	87,166
Macquarie Managed Portfolio - at market value	0	1,448,740
	<u>\$87,717</u>	<u>\$1,535,906</u>
10. AUDITOR'S REMUNERATION		
Amounts received, or due and receivable, by Auditors for:		
Auditing the Accounts	<u>\$48,790</u>	<u>\$60,344</u>
Included above are amounts received, or due and receivable, by Auditors other than Forrest Roberts Bazbauers & Kindred		
Auditing the Accounts	<u>\$8,080</u>	<u>\$10,604</u>
11. SALARIES AND BENEFITS - OFFICIALS AND STAFF		
Salaries and Benefits, not including provisions for Long Service Leave and Annual Leave as shown in Note 3 comprise the following:		
Honorary Elected Officials	364	676
Full Time Elected Officials	204,205	192,508
Staff	1,260,359	945,421
	<u>\$1,464,928</u>	<u>\$1,138,605</u>
Superannuation	<u>\$364,490</u>	<u>\$356,505</u>
12. TRAVEL AND ACCOMMODATION		
Head Office	45,362	60,060
NSW District	386	0
Newcastle Branch	2,330	6,719
Victoria Branch	1,258	2,113
Western Australia Branch	171	1,140
Queensland Branch	8,851	5,584
South Australia Branch	0	0
	<u>\$58,358</u>	<u>\$75,616</u>

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
13. STATEMENT OF CASH FLOWS		
(a) Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus/(Deficit)		
OPERATING SURPLUS/(DEFICIT)	<u>(6,982)</u>	<u>113,023</u>
ADD BACK:		
Adjustment to Reserves	0	800
Deficit on Sale of Property, Plant and Equipment	0	3,120
Realised Loss on Investments	0	21,170
Unrealised Loss on Investments	0	39,575
Depreciation	84,201	87,055
Increase in Sundry Creditors and Accruals	30,324	24,691
Increase in Provision for Annual Leave	44,862	56,116
Increase in Provision for Long Service Leave	41,849	45,530
Decrease in Sundry Debtors	0	1,718
Increase in Contributions Received in Advance	<u>491,722</u>	<u>0</u>
	<u>692,958</u>	<u>279,775</u>
	<u>685,976</u>	<u>392,798</u>
DEDUCT:		
Surplus on Sale of Property, Plant and Equipment	0	0
Realised Gain on Investments	68,669	0
Unrealised Gain on Investments	0	0
Macquarie Managed Portfolio Net Income Reinvested	11,022	53,423
Dividend Reinvested	551	0
Decrease in Contributions Received in Advance	201,590	349,307
Increase in Sundry Debtors	<u>79,272</u>	<u>0</u>
	<u>361,104</u>	<u>402,730</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$324,872</u></u>	<u><u>\$(9,932)</u></u>
(b) Reconciliation of Cash:		
Cash on Hand	1,910	1,910
Cash at Bank	621,373	551,886
Deposits at Call	<u>3,148,174</u>	<u>1,382,443</u>
	<u><u>\$3,771,457</u></u>	<u><u>\$1,936,219</u></u>

(c) The union has no credit stand-by or financing facilities in place.

(d) There were no non-cash financing or investing activities during the year.

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE YEAR ENDED 30 JUNE 2013

14. SEGMENT REPORTING

The Union operates predominantly in one business and geographical segment, being a union of employees providing industrial and workplace relations services to its members in Australia.

15. FINANCIAL INSTRUMENTS

Interest Rate Risk

The branch'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 those financial assets is not material.

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 value of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to and forming part of those financial statements.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

Net Fair Values

Assets and liabilities have been valued at their net fair value at balance date. This value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying value exceeds fair net values have not been written down as the company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial statements.

16. UNION DETAILS

The principal place of business of the Union is:

Australian Institute of Marine and Power Engineers
52 Buckingham Street
SURRY HILLS NSW 2010

AUSTRALIAN INSTITUTE OF MARINE AND POWER ENGINEERS

COMMITTEE OF MANAGEMENT STATEMENT

On 18th Dec 2013 the Committee of Management passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2013:

The Committee of Management declares 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 financial 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 GPFR relates and since the end of that year:
 - (i) meetings of the committee of management 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 *Fair Work (Registered Organisations) Act 2009*; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the *Fair Work (Registered Organisations) Act 2009*.
- (f) in relation to recovery of wages activity:
 - (i) no revenue has been derived by AIMPE in relation to the recovery of wages activity.

Signed on behalf of the Committee of Management by:

Tomy Lane
Name:

President
Title of Office held:

Signed at Sydney this 18 day of December 2013



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*
TO COMMITTEE OF MANAGEMENT OF THE AUSTRALIAN INSTITUTE
OF MARINE AND POWER ENGINEERS**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013, there have been:

- (a) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

KSG Assurance & Audit Services Pty Limited
Chartered Accountants

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

Bruce Howle
Principal

Dated this 16th day of December 2013

Unlocking your financial future...

KSG Assurance & Audit Services Pty Ltd ABN: 17 143 760 203

Office: Level 2, High Park Tower, 813 Pacific Highway (cnr Brown Street), Chatswood NSW 2067
Postal: PO Box 1290, Chatswood NSW 2057 Phone: (612) 9406 5900 Facsimile: (612) 9406 5999 Email: mailus@ksg.com.au
Liability limited by a scheme approved under Professional Standards Legislation



**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE AUSTRALIAN INSTITUTE
OF MARINE AND POWER ENGINEERS**

Scope

We have audited the financial report, being a general purpose financial report, of Australian Institute of Marine and Power Engineers ("the Union") for the year ended 30 June 2013 as set out on pages 4 to 19. This report comprises the income statement, balance sheet, statement of changes in equity, cash flow statement and notes comprising a summary of significant accounting policies and other explanatory information.

The Union's Committee of Management is responsible for the financial report and has determined that the accounting policies used and described in Note 2 to the financial statements are appropriate to meet the needs of the members. The Committee of Management's responsibility also includes such internal control as the Committee determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*. Those standards require that we comply with ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatements.

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 Union'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 policies used and the reasonableness of accounting estimates made by the members of the Committee of Management, as well as 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.

Independence

In conducting our audit, we followed applicable independence requirements of the *Corporations Act 2001*.

Audit Opinion

In our opinion, the financial report of Australian Institute of Marine and Power Engineers is:

- (a) giving a true and fair view of the Union's financial position as at 30 June 2013 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2; and
- (b) complying with Accounting Standards to the extent described in Note 2 and the *Fair Work (Registered Organisations) Act 2009*.

Basis of accounting

Without modifying our opinion, we draw attention to Note 2 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee of Management's financial reporting responsibilities to its members and for the purposes of *Fair Work (Registered Organisations) Act 2009*. As a result, the financial report may not be suitable for another purpose.

KSG Assurance & Audit Services Pty Limited
Chartered Accountants

Bruce Howle
Principal

Dated this 14th day of December 2013

Unlocking your financial future...

KSG Assurance & Audit Services Pty Ltd ABN: 17 143 760 203

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14 January 2014

Mr Martin Byrne
Assistant Federal Secretary
Australian Institute of Marine and Power Engineers
52 Buckingham Street
SURRY HILLS NSW 2010

Dear Mr Byrne,

Re: Application for extension of time - s265(5) *Fair Work (Registered Organisations) Act 2009* - Australian Institute of Marine and Power Engineers - for year ended 30 June 2013 (FR2013/302)

I refer to your letter of application for an extension of time under subsection 265(5) of the Act, which was received on 10 January 2014, following your earlier letter dated 7 January 2014, received on 8 January 2014.

I understand from your letter that the final version of the report for the year ended 30 June 2013 was not approved until 18 December 2013 because the report was initially prepared without including many of the items required by the new Reporting Guidelines. You have indicated that the report has been posted to the website and will also be published in the December-January issue of the union magazine, but that the report has not yet been presented to the members' meetings.

Under subsection 265(5) I may extend the period in which the meeting or meetings required by section 266 must be held or the period in which the financial report must be provided to members by no more than one month. The effect of a grant of extension of time will be to extend the time by which the report must be lodged.

The latest date by which the report may be allowed to be lodged, with an extension of time of up to the maximum period permitted, will be 14 February 2014.

Having regard to the circumstances, I grant an extension of time of one month.

Yours sincerely

Chris Enright
Delegate of the General Manager
Fair Work Commission



AIMPE

Australian Institute of
Marine and Power Engineers
HEAD OFFICE

General Manager,
Fair Work Australia
NSW Registry
80 William Street
East Sydney

10th January, 2014

Dear General Manager,

Re: Application for extension - AIMPE Annual Accounts 2012-13

Further to my letter of 7th January 2014, on behalf of the Australian Institute of Marine and Power Engineers, I hereby apply for an extension of time for the filing of the financial accounts of the union for the financial year 2012-13.

The factors referred to in my letter of 7th January include delays because the original accounts were drawn up on the basis of the previous year's accounts and did not include many of the items of information required under the new regulations.

To reiterate my explanation of the progress that has been achieved, the accounts have been completed and have been signed by the auditor and approved by the Committee of Management, however this did not take place until 18th December – the day after the December meeting of members. Due to delayed completion, the accounts have not yet been sent to the members nor have the signed accounts been placed before the monthly meetings around the country.

The signed accounts have been posted on the union's website -

http://www.aimpe.asn.au/page/conferences_annual_reports.html

The accounts have also been sent to the printers so that they will be ready to be inserted into the December 2013 – January 2014 edition of the union magazine On Watch which is anticipated to be published later this month. This will be mailed to all members at their home address.

Yours faithfully,

Martin Byrne
Assistant Federal Secretary
& Federal Treasurer
AIMPE.

From: KELLETT, Stephen
To: ["mbyrne@aimpe.asn.au"](mailto:mbyrne@aimpe.asn.au)
Subject: Delay in lodgment - Financial report - extension of time application to be made
Date: Friday, 10 January 2014 7:50:00 AM

Dear Mr Byrne,

I acknowledge receipt of your email and letter dated 8 January 2014 advising the circumstances of the expected delay in lodgment of the report for the year ended 30 June 2013.

From the information you have provided my understanding is that the remaining required procedures should occur during January. I understand your rules to provide that the December members' meeting is the usual meeting for presentation of the report (i.e. in accordance with section 266) but your letter indicates that in this case, presentation will have to occur at a members' meeting yet to be held.

Section 265(5) of the Fair Work (Registered Organisations) Act 2009 requires a 21 day period to elapse between "providing copies" of the report to members and presentation to a "general Meeting" of the members. Posting of the report on an organisation's website is considered equivalent to providing a copy to members, for the purposes of section 265. Since you have indicated that the report was posted to the Union's website on 7 January 2014, notwithstanding that it may be the Union's practice to also publish the report in the magazine, the 21 day period may be considered to have commenced on that date, and hence presentation to the members meeting may be held as soon as possible after 28 January 2014.

The ordinary prescribed period by which a 30 June report should be lodged with the Fair Work Commission is 14 January. Under the circumstances, the Union should formally lodge an application for an extension of time - under section 265(5) of the Act for the reasons and circumstances set out in your letter - to hold the meeting referred to in section 266 (i.e. the presentation meeting). A maximum extension period of one month may be granted.

Please contact me on (02) 6723 7237 or 0429 462 979 if you have any queries about this.

Yours sincerely

STEPHEN KELLETT
Regulatory Compliance Branch
FAIR WORK COMMISSION

80 William Street
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237
(email) stephen.kellett@fwc.gov.au



AIMPE

Australian Institute of
Marine and Power Engineers
HEAD OFFICE

General Manager,
Fair Work Australia
NSW Registry
80 William Street
East Sydney

7th January, 2014

Dear General Manager,

Re: AIMPE Annual Accounts 2012-13

This is to advise that due to a number of factors it has not been possible for the Australian Institute of Marine and Power Engineers to conclude all of the required processes regarding the financial accounts for 2012-13.

The accounts have been completed and have been signed by the auditor and approved by the Committee of Management, however this did not take place until 18th December – the day after the December meeting of members. Due to delayed completion, the accounts have not yet been sent to the members nor have the signed accounts been placed before the monthly meetings around the country. The signed accounts have today been posted on the union's website -

http://www.aimpe.asn.au/page/conferences_annual_reports.html

The accounts have also been sent to the printers so that they will be ready to be inserted into the December 2013 – January 2014 edition of the union magazine On Watch which is anticipated to be published later this month. This will be mailed to all members at their home address.

Obviously this is not in compliance with the requirement for all stages of the procedures to be completed by 31st December [i.e. six months after the end of the reporting period]. However I do believe that the above information demonstrates that the processes are well underway. A copy of the signed audited accounts is attached for verification.

Once the procedures have been completed I will make the formal filing with the necessary declarations.

Yours faithfully,

Martin Byrne
Assistant Federal Secretary
& Federal Treasurer
AIMPE.

Enc 1.