



## AUSTRALIAN INDUSTRIAL REGISTRY

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7777  
Fax: (03) 9654 6672

Mr. T. Heywood  
Acting Federal Secretary  
The Australian Licenced Aircraft Engineers Association  
25 Stoney Creek Road  
BEXLEY NSW 2207

Dear Mr. Heywood,

**Re: Financial Statements for year ended 31 December 2002  
FR 2003/289**

Receipt is acknowledged of the financial documents of The Australian Licenced Aircraft Engineers Association for the year ended 31 December 2002, lodged in the Industrial Registry on 17 June 2003.

The financial documents have been filed.

Receipt is also acknowledged of the statement pursuant to section 269 of the Workplace Relations Act 1996, relating to particulars of donations made by The Australian Licenced Aircraft Engineers Association for the financial year ended 31 December 2002. The statement has been placed on a file which is not available to the public. Please note that details of donations exceeding \$1000 only, are required.

The following matter is referred for assistance when preparing future financial documents; no further action is requested in respect of this:

### **Committee of Management Certificate**

Paragraph (4) was not completed correctly.

In that part the committee of management was required to certify whether or not the organisation had complied with the requirements of section 279 in respect of the financial documents of the immediately preceding financial period, that is the year ended 31 December 2001.

It should be noted that this part of the committee of management's certificate always refers back to the preceding year.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993.

Yours sincerely,

Larry Powell  
Statutory Services Branch  
16 July 2003

DKL1AIRC160603

16<sup>th</sup> June 2003



Deputy Industrial Registrar  
Australian Industrial Registry  
(NSW Registry)  
Level 8, Terrace Towers  
80 William Street  
EAST SYDNEY NSW 2011



FR 2003/289.  
25 Stoney Creek Rd Bexley 2207 NSW  
Ph: (02) 9554 9399 Fax: (02) 9554 9644  
Email: alaea@alaea.asn.au  
Web: www.alaea.asn.au  
ABN: 84 234 747 620

Dear Sir/Madam

**Certificate of Federal Secretary under s.280(1)(b)**  
**Financial Statements – Year ended 31 December 2002**

I refer to the enclosed financial statements of the ALAEA for the year ended 31 December 2002.

I certify that the documents lodged are true copies of documents supplied to all members of the ALAEA in May 2003 and approved by a meeting of the Federal Executive (Committee of Management) of the Association on 28<sup>th</sup> May 2003.

Yours faithfully

**TIM HEYWOOD**  
**Acting Federal Secretary**

encs

"To undertake supervise and certify for the safety of all who fly."

DKL2AIRC160603

16 June 2003

Deputy Industrial Registrar  
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ABN: 84 234 747 620

Dear Sir/Madam

**Re: Financial Return – Year ended 31 December 2002**

Please find enclosed a copy of the audited financial statements of the Association for the year ended 31 December 2002.

Accompanying the statements please also find enclosed a certificate, as required by s280(1)(b) of the act, signed by me, that the documents are copies of the documents presented to a meeting of the Federal Executive (Committee of Management) of the Association on 29 May 2003 and a certificate of particulars of donations made by the Association as required by s269.

Yours faithfully

**TIM HEYWOOD**  
**Acting Federal Secretary**

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"To undertake supervise and certify for the safety of all who fly."

# **The Australian Licenced Aircraft Engineers' Association**

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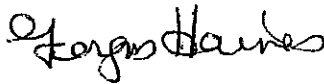
# **The Australian Licenced Aircraft Engineers' Association**

## **Committee's Report For the year ended 31 December, 2002**

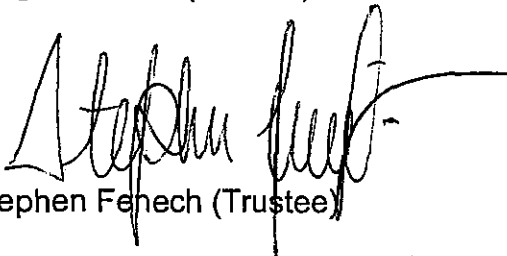
We, Fergus Haines and Stephen Fenech, being two members of the Committee of Management of The Australian Licenced Aircraft Engineers' Association, do state on behalf of the Committee that:

1. In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Association as at 31 December, 2002.
2. In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 31 December, 2002 in accordance with the rules of the Association.
3. To the knowledge of any member of the Committee, there have been no instances where records of the Association or other documents (not being documents containing information made available to a member of the Union under Sub-Section 274(2) of the Workplace Relations Act 1996), or copies of these records or documents, or copies of the rules of the Association, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the Association.
4. The Association has complied with Sub-Section 279(1) and (6) of the Workplace Relations Act 1996 in relation to the financial accounts in respect of the year ended 31 December 2002, and the Auditor's Report thereon.
5. At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Members of the Committee.



Fergus Haines (Trustee)



Stephen Fenech (Trustee)

Bexley 25 February 2003

**The Australian Licenced Aircraft Engineers' Association**

**Accounting Officer's Report  
For the year ended 31 December, 2002**

I, David Kemp, being the Officer responsible for the keeping of the accounting records of The Australian Licenced Aircraft Engineers' Association ("the Association") certify that as at 31 December 2002, the number of members of the Association were 3,493.

In my opinion:

1. The attached accounts show a true and fair view of the financial affairs of the Association as at 31 December 2002.
2. A record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Association.
3. Before any expenditure was incurred by the Association, approval of the incurring of the expenditure was obtained in accordance with the rules of the Association.
4. With regards to funds of the Association raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
5. No loans or other financial benefits, other than remuneration by way of honoraria or in respect of their full time employment with the Association, were made to persons holding office in the Association.
6. The register of members of the Association was maintained in accordance with the Workplace Relations Act 1996.

  
David Kemp  
Federal Secretary and Accounting Officer

Bexley 25 February 2003

# **The Australian Licenced Aircraft Engineers' Association**

## **Independent Audit Report**

To the members of The Australian Licenced Aircraft Engineers' Association

### **Scope**

We have audited the financial report of The Australian Licenced Aircraft Engineers' Association (the "Association") for the year ended 31 December 2002 as set out on pages 4 to 17.

The Association's Committee of Management and Accounting Officer are responsible for the financial report. We have conducted an independent audit of these financial report in order to express an opinion on it to the members of the Association.

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

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

### **Audit opinion**

In our opinion:

1. There were kept by the Association for the year ended 31 December, 2002 satisfactory records detailing the sources and nature of the income of the Association (including income from members) and the nature and purposes of expenditure;
2. The attached accounts and statements including the Certificates of the Committee of Management and the Accounting Officer are prepared in accordance with Section 273 of the Workplace Relations Act 1996;
3. All the information and explanations that, under subsection 276(2), officers or employees of the Association were required to provide were provided;
4. The financial report set out on pages 4 to 17 has been prepared from the accounting records of the Association and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Association as at 31 December 2002 and the results of its operations and cash flows for the year then ended.

**J.W. Kellert & Co**  
Chartered Accountant



John W. Kellert F.C.A.

Registered Company Auditor  
Suite 1, 232 Slade Rd, Bexley North, NSW  
Dated this 27th day of February 2003.

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 December 2002

	Note	2002 \$	2001 \$
Other revenue from ordinary activities	2	1,670,692	1,632,925
Employment expenses		(471,992)	(453,673)
Depreciation expenses		(53,337)	(70,446)
Other expenses from ordinary activities		<u>(1,109,696)</u>	<u>(927,936)</u>
<b>Profit from ordinary activities before income tax expense</b>	13	35,667	180,870
Income tax expense relating to ordinary activities	1c	<u>-</u>	<u>-</u>
<b>Net profit / (loss)</b>		<u><u>35,667</u></u>	<u><u>180,870</u></u>

The accompanying notes form part of these financial statements.



# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## STATEMENT OF FINANCIAL POSITION for the year ended 31 December 2002

	Note	2002 \$	2001 \$
<b>Current assets</b>			
Cash assets	4	2,667,407	2,642,854
Receivables	5	121,907	124,442
Other	6	<u>576,752</u>	<u>602,587</u>
<b>Total current assets</b>		<u>3,366,066</u>	<u>3,369,883</u>
<b>Non-current assets</b>			
Property, plant and equipment	7	<u>473,435</u>	<u>469,668</u>
<b>Total non-current assets</b>		<u>473,435</u>	<u>469,668</u>
<b>Total assets</b>		<u>3,839,501</u>	<u>3,839,551</u>
<b>Current liabilities</b>			
Payables	8	119,337	99,330
Provisions	9	<u>183,757</u>	<u>239,481</u>
<b>Total current liabilities</b>		<u>303,094</u>	<u>338,811</u>
<b>Total liabilities</b>		<u>303,094</u>	<u>338,811</u>
<b>Net Assets</b>		<u>3,536,407</u>	<u>3,500,740</u>
<b>Members' funds</b>			
Accumulated Funds	10	<u>3,536,407</u>	<u>3,500,740</u>
<b>Total members' funds</b>		<u>3,536,407</u>	<u>3,500,740</u>

The accompanying notes form part of these financial statements.

**THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION**

**STATEMENTS OF CASH FLOWS**  
for the year ended 31 December 2002

	NOTE	2002	2001
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers (incl. members)		1,846,234	1,722,399
Payments to suppliers and employees		<u>(1,920,981)</u>	<u>(1,528,458)</u>
		(74,747)	193,941
Interest received		124,392	95,258
Sundry receipts		16,340	573
Income taxes paid		<u>-</u>	<u>-</u>
<b>Net cash provided by (used in) operating activities</b>	13	65,985	289,772
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from Property, plant & equipment		40,926	12,000
Payment for plant & equipment		<u>(82,358)</u>	<u>(9,311)</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(41,432)</u>	<u>(2,689)</u>
<b>Net increase/(decrease) in cash held</b>		24,553	292,461
Cash at the beginning of the financial year		<u>2,642,854</u>	<u>2,350,393</u>
<b>Cash at the end of the financial year</b>	12	<u>\$ 2,667,407</u>	<u>\$ 2,642,854</u>

The accompanying Notes form part of these financial statements.

# **THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002**

### **1. Statement of significant accounting policies**

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

#### **(a) Basis of accounting**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accruals basis and 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.

#### **(c) Income Tax**

No provision for income tax is necessary, as Trade Unions are exempt from income tax under s50-15 of the Income Tax Assessment Act 1997 (formerly Section 23(f) of the Income Tax Assessment Act 1936).

# **THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002**

### **1. Statement of significant accounting policies (continued)**

#### **(d) Goods and services tax ("GST")**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense amount.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or current liability (respectively) in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

#### **(e) Property, Plant and Equipment**

##### ***Acquisitions***

All assets acquired including property, plant and equipment are initially recorded at the price paid at the date of acquisition plus incidental costs directly relating to the acquisition.

##### ***Costs subsequent to acquisition***

These costs are capitalised where the costs permit the asset to provide an extended economic benefit to the Association or where those costs modify the asset such that those modifications become an intrinsic part of the original asset.

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

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

### 1. Statement of significant accounting policies (continued)

#### (e) Property, Plant and Equipment (continued)

##### *Recoverable amount of non-current assets valued on cost basis*

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower amount. The write down is recognised as an expense in the reporting period in which it occurs.

In assessing recoverable amounts of non-current assets the relevant cash flows have not been discounted to their present value.

##### *Depreciation*

The depreciable amount of fixed assets, excluding freehold land, are depreciated on a straight line basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Older vehicles are depreciated using the diminishing value method.

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

Class of asset	Depreciation rate	Depreciation basis
Buildings	5% - 10%	Prime cost
Office equipment & furniture	10% - 33.34%	Prime cost
Motor vehicles	15% - 22.5%	Prime cost & diminishing value

#### (f) Revenue

Revenue from members' subscriptions and joining fees are recognised on the accruals basis.

Interest revenue is recognised as it accrues.

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

#### (g) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received.

# **THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION**

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002**

### **1. Statement of significant accounting policies (continued)**

#### **(h) Employee entitlements**

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date (Note 9). Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and other current employee entitlements, which will be settled after one year, are accrued at their nominal amounts. Other employee entitlements payable later than one year have been measured at their nominal value as it is considered that this results in a value not materially different to that achieved by determining the present value of the estimated future cash outflows to be made for those entitlements.

The Association makes contributions to employee superannuation plans (not controlled by the Association, its Trustees or its Committee members). Such contributions are charged as expenses as incurred. The Association has no legal obligation to cover any shortfall in the plans' obligations to provide benefits to employees on retirement.

#### **(i) Information to be provided to Members or Registrar**

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

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

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

2002  
\$

2001  
\$

### 2. Revenue from Ordinary activities

#### *From operating activities*

Members subscriptions	1,283,994	1,225,054
Consulting fees	250,000	250,000
Other income	<u>519</u>	<u>246</u>
	<u>1,534,513</u>	<u>1,475,300</u>

#### *From non-operating activities*

Interest received from other persons	116,967	118,968
Investment distributions	0	38,657
Profit on sale of fixed assets	<u>19,212</u>	<u>-</u>
	<u>136,179</u>	<u>157,625</u>
	<u>1,670,692</u>	<u>1,632,925</u>

### 3. Profit from Ordinary Activities

Profit from ordinary activities before income tax expense has been determined after:

#### (a) Expenses

Net loss on disposal of plant & equipment	3,539	-
Remuneration of auditor		
- audit or review of financial report	5,500	5,500
- other services	<u>6,419</u>	<u>3,580</u>
Total remuneration	<u>11,919</u>	<u>9,080</u>
Depreciation of non-current assets		
- plant & equipment	33,693	50,802
- buildings	19,644	19,644

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

	2002 \$	2001 \$
<b>4. Cash</b>		
Cash at bank	352,031	299,263
Short term deposits	2,313,876	2,340,629
Cash on hand	<u>1,500</u>	<u>2,962</u>
	<u>2,667,407</u>	<u>2,642,854</u>
<b>5. Receivables</b>		
Subscriptions receivable	96,990	64,169
Other debtor	<u>24,917</u>	<u>60,273</u>
	<u>121,907</u>	<u>124,442</u>
<b>6. Other</b>		
Managed funds (at market value)	541,802	561,267
Prepayments & accrued interest	<u>34,950</u>	<u>41,320</u>
	<u>576,752</u>	<u>602,587</u>
<b>7 Property, plant and equipment</b>		
Freehold land (at cost)	<u>110,000</u>	<u>110,000</u>
Building		
At cost	384,214	384,214
Accumulated depreciation	<u>121,038</u>	<u>101,394</u>
	<u>263,176</u>	<u>282,820</u>
Plant & equipment		
At cost	138,366	145,787
Accumulated depreciation	<u>103,615</u>	<u>118,720</u>
	<u>34,751</u>	<u>27,067</u>
Motor vehicles		
At cost	84,487	91,943
Accumulated depreciation	<u>18,979</u>	<u>42,162</u>
	<u>65,508</u>	<u>49,781</u>
	<u>473,435</u>	<u>469,668</u>



# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

2002	2001
\$	\$

### 7 Property, plant and equipment (continued)

Movement in carrying amounts:

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

#### *Freehold land and building*

Carrying amount at beginning of year	392,820	412,464
Additions	-	-
Disposals	-	-
Depreciation	<u>(19,644)</u>	<u>(19,644)</u>
	<u>373,176</u>	<u>392,820</u>

#### *Office equipment*

Carrying amount at beginning of year	27,067	43,591
Additions	31,127	9,311
Disposals	(1,716)	-
Depreciation	<u>(21,727)</u>	<u>(25,835)</u>
	<u>34,751</u>	<u>27,067</u>

#### *Motor vehicles*

Carrying amount at beginning of year	49,781	86,748
Additions	51,230	-
Disposals	(23,537)	(12,000)
Depreciation	<u>(11,966)</u>	<u>(24,967)</u>
	<u>65,508</u>	<u>49,781</u>

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

	2002 \$	2001 \$
<b>8. Payables</b>		
<b>Current</b>		
Trade creditors	95,265	69,316
Other creditors and accruals	<u>24,072</u>	<u>30,014</u>
	<u>119,337</u>	<u>99,330</u>
<b>9. Provisions</b>		
<b>Current</b>		
Annual leave	69,182	73,865
Conferences & training	50,000	100,000
Long service leave	<u>64,575</u>	<u>65,616</u>
	<u>183,757</u>	<u>239,481</u>
Number of employees at year end	<u>6</u>	<u>6</u>
<b>10. Accumulated Funds</b>		
Accumulated Funds at beginning of year	3,500,740	3,319,870
Net profit / (loss) from operations	<u>35,667</u>	<u>180,870</u>
Retained profits at the end of the year	<u>3,536,407</u>	<u>3,500,740</u>

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

### 11. Segment reporting

The Association is a Trade Union of Licenced Aircraft Engineers operating throughout Australia. Some members also reside and work in this capacity outside Australia.

### 12. Reconciliation of cash

For the purposes of this statement of cash flows, cash includes:

- (a) cash on hand and in at call deposits with banks or financial institutions, net of bank overdrafts; and
- (b) investments in money market instruments.

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2002 \$	2001 \$
Cash	353,531	302,225
Deposits at call	<u>2,313,876</u>	<u>2,340,629</u>
	<u>2,667,407</u>	<u>2,642,854</u>

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

### 13. Reconciliation of Profit from ordinary activities after income tax to net cash provided by operating activities

	2002 \$	2001 \$
Profit from ordinary activities after income tax	<u>35,667</u>	<u>180,870</u>
Non-cash flows in profit from ordinary activities:		
Loss/(Profit) on sale of assets	(15,673)	-
Depreciation	<u>53,337</u>	<u>70,446</u>
	<u>37,664</u>	<u>70,446</u>
Changes in assets and liabilities:		
(Increase)/Decrease in accounts receivable	9,960	71,417
(Increase)/Decrease in managed funds	19,466	(35,064)
Increase/(Decrease) in prepayments	(1,055)	1,806
Increase/(Decrease) in payables	20,007	(58,972)
Increase/(Decrease) in provisions	<u>(55,724)</u>	<u>59,269</u>
	<u>(7,346)</u>	<u>38,456</u>
Net cash flows from operating activities	<u>65,985</u>	<u>289,772</u>

### 14. Employment commitments

#### *Superannuation commitment*

The Association has provided for a contribution rate of 9% of each employee's Base salary to a superannuation fund.

	2002 \$	2001 \$
Details of contributions during the year are as follows:		
Employer contributions expensed in statement of financial performance	<u>54,541</u>	<u>50,086</u>
Employer contributions provided as payable at balance date	<u>5,230</u>	<u>958</u>

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

### 15. Capital and Leasing Commitments

Operating lease expenditure contracted for at balance date that is not cancelable and is not provided for in the accounts:

	2002 \$	2001 \$
Payable:		
Being for rent of equipment:		
No later than 1 year	26,289	-
Later than 1 year but later than 2 years	26,289	-
Later than 2 years but not later than 5 years	<u>66,073</u>	<u>-</u>
	<u>118,651</u>	<u>-</u>

### 16. Related parties

#### *Trustees:*

The names of persons who were Trustees of the Association at any time during the financial year are as follows:

Fergus Haines and Stephen Fenech

#### *Trustees' transactions:*

Transactions between Trustees, Committee Members and the Association are on normal commercial terms and conditions no more favourable than those available to other parties.

### 17. Association details

#### *The principal place of business of the Association is:*

25 Stoney Creek Rd  
Bexley, NSW

# THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2002

### 18. Additional financial instruments disclosure -

#### (a) Interest rate risk

	2002	2001	2002	2002	2002	2001	2001	2001
	Weighted average		Fixed	Non-		Fixed	Non-	
	interest rate		Interest	Interest	Total	Interest	interest	Total
	%	%	bearing <sup>1</sup>	bearing	\$	bearing* <sup>1</sup>	bearing	\$
Financial assets			\$	\$	\$	\$	\$	\$
*1 Interest bearing maturing within 1 year.								
Cash	1.0	1.0	-	353,531	353,531	-	302,225	302,225
Short term deposits	4.0	4.0	<u>2,313,876</u>	<u>-</u>	<u>2,313,876</u>	<u>2,340,629</u>	<u>-</u>	<u>2,340,629</u>
			<u>2,313,876</u>	<u>353,531</u>	<u>2,667,407</u>	<u>2,340,629</u>	<u>302,225</u>	<u>2,642,854</u>

#### (b) Credit risk

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

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

#### (c) Net fair values of financial assets and liabilities

For all financial assets and liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

The Australian Licenced Aircraft Engineers' Association

Income & Expenditure Statement  
For the year ended 31 December, 2002

	2002 \$	2001 \$
<b>Income</b>		
Members' subscriptions	1,283,994	1,225,054
Consulting fees	250,000	250,000
Income distributions from investments	0	38,657
Interest received	116,967	118,968
Profit on sale of plant & equipment	19,212	0
Other income	<u>519</u>	<u>246</u>
<b>Total income</b>	<b><u>1,670,691</u></b>	<b><u>1,632,925</u></b>
<b><u>Expenses</u></b>		
<b>Administration Costs - Employment</b>		
Salaries - Employees	406,506	350,010
Annual leave provision	1,757	21,873
Long service leave provision	4,238	12,396
Temporary staffing & placements	4,950	14,308
Honoraria	0	5,000
Superannuation	<u>54,541</u>	<u>50,086</u>
	<b><u>471,992</u></b>	<b><u>453,673</u></b>
<b>Industrial</b>		
Industrial & travel expenses	292,935	322,631
Professional services	62,968	65,119
Safety awareness campaign	67,695	0
Telephone	<u>47,202</u>	<u>59,163</u>
	<b><u>470,800</u></b>	<b><u>446,913</u></b>
<b>Management</b>		
Affiliation fees	20,222	18,627
Federal executive expenses	284,666	153,276
Training & conferences	52,706	50,500
Training & conferences provided	<u>25,000</u>	<u>25,000</u>
	<b><u>382,594</u></b>	<b><u>247,403</u></b>

The Australian Licenced Aircraft Engineers' Association

Income & Expenditure Statement  
For the year ended 31 December, 2002

	2002 \$	2001 \$
<b>Overhead Expenses</b>		
Bank charges	6,200	6,526
Commissions	19,767	16,981
Computer expenses	66,428	16,875
Depreciation - building	19,644	19,644
Depreciation - equipment	33,693	50,802
Donations	750	1,120
Electricity	3,467	3,648
Fringe benefits tax	10,374	9,653
General expenses	532	2,102
GST not charged on member subscriptions	0	66,349
Insurance	12,480	10,252
Investment management fees	3,645	3,266
Library	8,601	6,273
Loss on disposal of equipment	3,539	0
Motor vehicle expenses	15,989	18,770
Postage & delivery	18,814	17,142
Printing & stationery	34,334	21,809
Rates & property expenses	16,504	9,959
Repairs & maintenance	2,262	6,968
Staff amenities	3,956	3,785
Unrealised loss on managed funds	15,820	0
Welfare Fund contribution	<u>12,840</u>	<u>12,142</u>
	<u>309,640</u>	<u>304,066</u>
 <b>TOTAL EXPENDITURE</b>	 <u>1,635,025</u>	 <u>1,452,055</u>
 <b>OPERATING SURPLUS FOR YEAR</b>	 35,667	 180,870
 Accumulated funds at beginning of year	 <u>3,500,740</u>	 <u>3,319,870</u>
 <b>ACCUMULATED FUNDS AT END OF YEAR</b>	 <u>3,536,407</u>	 <u>3,500,740</u>

This statement is for the information of members and does not form part of the audited financial statements



The Australian Licenced Aircraft Engineers' Association

Welfare Fund

Income & Expenditure Statement  
For the year ended 31 December, 2002

	2002 \$	2001 \$
<b>Income</b>		
Contributions from General Fund	12,840	12,142
Interest received	<u>1,400</u>	<u>3,636</u>
Total income	<u>14,240</u>	<u>15,778</u>
<b>Expenses</b>		
Welfare payments	<u>11,500</u>	<u>18,000</u>
	<u>11,500</u>	<u>18,000</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	2,740	( 2,222)
Accumulated funds at beginning of year	<u>69,342</u>	<u>71,564</u>
<b>ACCUMULATED FUNDS AT END OF YEAR</b>	<u>72,082</u>	<u>69,342</u>

Balance Sheet  
As at 31 December, 2002

<b>Current Assets</b>		
Investments		
Term deposit	62,262	60,861
Receivables - A.L.A.E.A.	<u>9,820</u>	<u>8,481</u>
Net Assets	<u>72,082</u>	<u>69,342</u>
<b>Accumulated Funds</b>	<u>72,082</u>	<u>69,342</u>

This statement is for the information of members and does not form part of the audited financial statements