



Australian Government
Australian Industrial Registry

Level 5
11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7989
Fax: (03) 9655 0410

Mr Stephen Purvinas
Federal Secretary
Australian Licenced Aircraft Engineers Association
25 Stoney Creek Road
BEXLEY NSW 2207

By email: alaea@alaea.asn.au

Dear Mr Purvinas

Re: Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)
Financial reports for year ended 31 December 2006 - FR 2006/646

I refer to our letter to you dated 15 November 2007 and acknowledge receipt of the new Designated Officer's Certificate dated 28 November 2007 and the amended Committee of Management Statement dated 28 March 2007. Both documents were lodged in the Industrial Registry on 29 November 2007.

Based on the information provided in the new Designated Officer's Certificate dated 28 November 2007 the financial reports have been filed.

To assist you in preparation of future financial reports I have enclosed a diagrammatic fact sheet which explains the timeline requirements of your reporting unit's reporting obligations. Furthermore, as requested by Ms Gayer I have also enclosed a pro forma copy of a Designated Officer's Certificate.

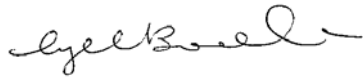
It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under the RAO Schedule and to those obligations being discharged within the requisite timeframes.

Electronic Lodgement

I encourage you to take advantage of the electronic lodgement service provided by the Registry for future lodgements. You may register as a user and then lodge your documents via the [Electronic Lodgement](http://www.airc.gov.au) page of the AIRC website at www.airc.gov.au. Alternatively, you may send an email with the documents attached to: riateam3@air.gov.au. Please note that the Rules of the Commission allow for electronic signatures to be used, other than for statutory declarations (see sub-rule 74A(1)). Where documents are lodged electronically, there will be no need to forward hard copies of the documents.

Should you wish to discuss any of the matters raised in this letter or in the attached documents, or if you require further information on the financial reporting requirements of the *Workplace Relations Act 1996*, I may be contacted on (03) 8661 7989 on Wednesdays and Thursdays or by email at Cynthia.lobooth@air.gov.au

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth', with a stylized flourish at the end.

Cynthia Lo-Booth
Statutory Services Branch

5 December 2007

Enc 2.

Certificate of Designated Officer

s.268 of Schedule 1 of *Workplace Relations Act 1996*

I, *[insert full name]* being the *[insert position, must be an elected officer]* of The Australian Licenced Aircraft Engineers Association certify that:

- the documents lodged herewith are copies of the full report referred to in s.268 of the RAO Schedule;
- the full report was provided to members on *[insert date, month and year]*; and
- the full report was presented to a meeting of the Federal Executive (committee of management) of The Australian Licenced Aircraft Engineers Association on *[insert date, month and year]* in accordance with s.266 of the RAO Schedule. Rule 38(3) of The Australian Licenced Aircraft Engineers Association rules provide that 5% of the members are able to call a general meeting of the reporting unit for the purpose of considering the auditor's report, the general purpose financial report and the operating report.

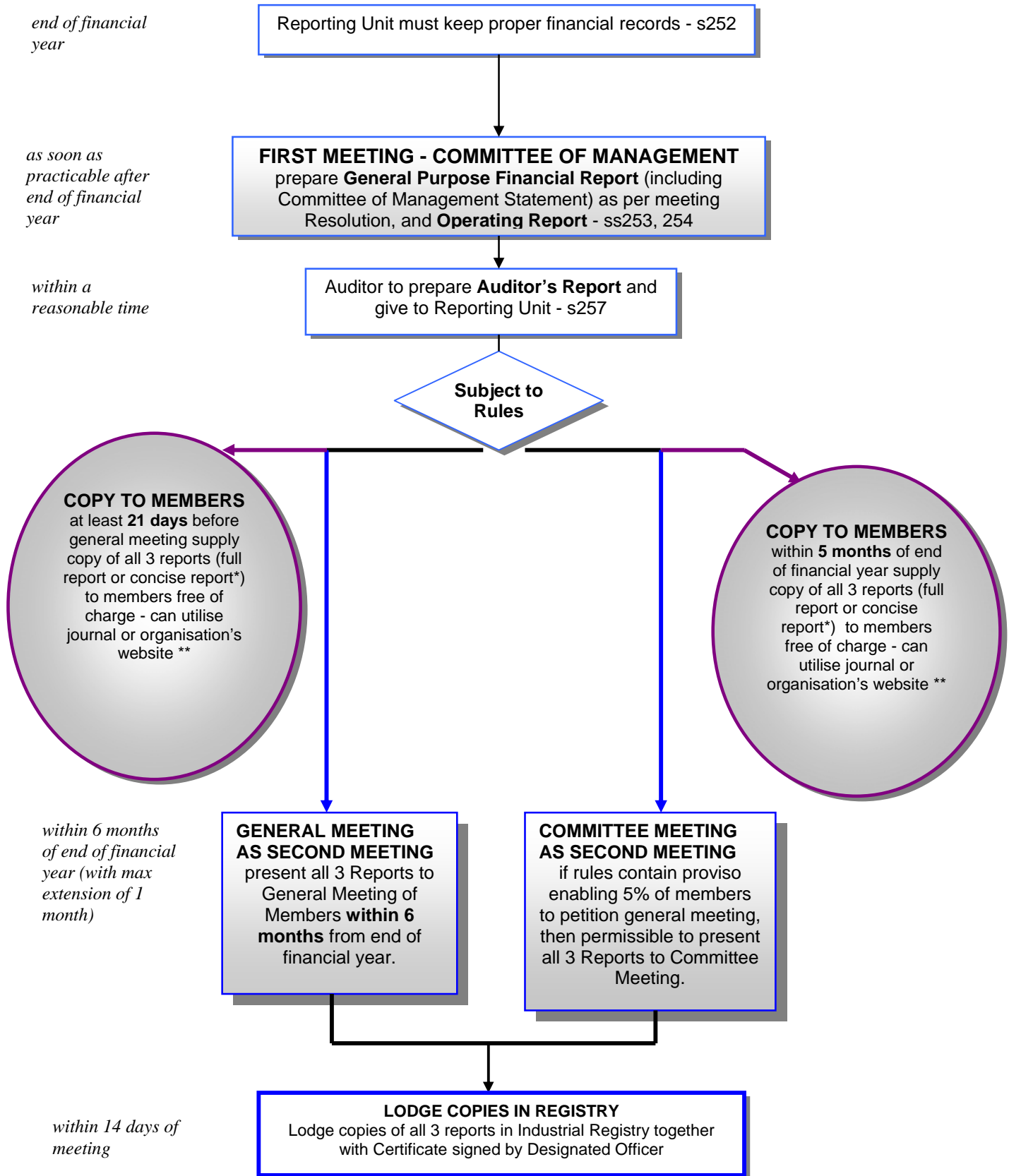
[Signature of officer]

[Insert name of officer]

[Insert position of officer]

Date:

Financial Reporting Timeline (RAO Schedule)



* concise report may be provided if s265(1)-(4) complied with. ** report may be supplied through organisation's journal or on organisation's website subject to particular specifications as per RAO regulation 18.



28 November 2007

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

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 Statement – Year ended 31 December 2006**

I refer to the enclosed financial statements of the ALAEA for the year ended 31 December 2006.

I certify that the documents lodged are true copies of documents.

1. supplied to the Federal Executive which approved the financial statements on 28 March 2007; and
2. sent to all members of the ALAEA on 30 March 2007; and
3. again presented to a meeting of the Federal Executive (committee of management) of the Australian Licenced Aircraft Engineers Association on 14 May 2007, noting that there were no changes or requisitions by any member of the ALAEA.

The ALAEA rules provide that 5% of the membership can seek a general meeting of the members to discuss the financial report. No request was received from the membership.

Yours faithfully,

**Stephen Purvinas
Federal Secretary**

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

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Committee of Management Statement


On ~~28~~ March 2007, the Committee of Management of The Australian Licenced Aircraft Engineers' Association ("ALAEA") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2006:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flow 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the organisation is the sole reporting unit; and
 - (v) there has not been any request for information by a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule; and
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.
- (e) No recovery of wages activities was undertaken during the year ending 31 December 2006.

For Committee of Management: **Stephen Purvinas**
Title of Office held: **Federal Secretary**

Signature:

.....

Date:

.....**28.3.7**.....



Mr Stephen Purvinas
Federal Secretary
Australian Licenced Aircraft Engineers Association
25 Stoney Creek Road
BEXLEY NSW 2207

By email: alaea@alaea.asn.au

Dear Mr Purvinas

**Re: Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)
Financial reports for year ended 31 December 2006 - FR 2006/646**

I acknowledge receipt of the financial reports of the Australian Licenced Aircraft Engineers Association for the year ended 31 December 2006 and the new Designated Officer's Certificate dated 29 October 2007. The documents were lodged in the Industrial Registry on 30 July and 5 November 2007 respectively.

The financial reports have not been filed.

An examination of the financial reports and in particular the new Designated Officer's Certificate has alerted me to some areas of non-compliance with the financial reporting obligations under the RAO Schedule. I have detailed the areas of concern in the following paragraphs.

1. Committee of Management Statement

The Committee of Management Statement did not provide the date of resolution. The Statement only provided the unspecified date of "March 2007".

As I previously explained in my letter of 25 October 2007, Item 26 of the Reporting Guidelines require the date of passage of the resolution be provided in the Committee of Management Statement.

2. Time Scale Requirements

The new Designated Officer's Certificate states that the documents were supplied to all members of the Australian Licenced Aircraft Engineers Association and the Federal Executive on 27 March 2007. However, I note the Auditor's Report is dated 29 March 2007 and the Operating Report is dated 28 March 2007.

Section 265 of the RAO Schedule states that:

"(1) A reporting unit must provide free of charge to its members either:

(a) a full report consisting of:

- (i) a copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; and*
- (ii) a copy of the general purpose financial report to which the report relates; and*
- (iii) a copy of the operating report to which the report relates; or*

(b) a concise report for the financial year that complies with subsection (3)....”

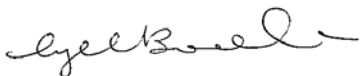
Accordingly, the documents supplied to the members on 27 March 2007 could not have included the signed Auditor's Report and the Operating Report as they were executed at a later date. Therefore, the documents provided on the 27 March did not meet the requirements of s.265(1)(a).

In order to secure compliance with your obligations under the RAO Schedule, your organisation will need to repeat certain steps in the reporting process. I require you to:

- Specify the date of resolution in the Committee of Management Statement. There is gap in the first line of the body of the document for you to insert the date.
- Then provide a copy of the full report to your members. The full report must include the general purpose financial report, the Committee of Management Statement with the date of resolution, the Operating Report dated 28 March and the Auditor's Report dated 29 March 2007.
- Schedule a general meeting of members or a meeting of the Federal Executive and present the full report at such meeting. Bear in mind that if the full report is presented to a general meeting of members, the full report must be provided to members at least 21 days before the general meeting.
- Complete a fresh s.268 Designated Officer's Certificate signed by an officer, such as yourself. Provide the date when the full report was provided to the members and the date when the full report was presented at the meeting and specify whether the meeting was a general meeting or a meeting of the Federal Executive.
- Lodge the documents in the Registry within 14 days of presenting the full report at the meeting.

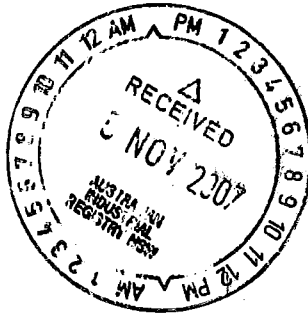
Should you wish to discuss any of the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7989 on Wednesdays and Thursdays or by email at Cynthia.lobooth@air.gov.au

Yours sincerely,



Cynthia Lo-Booth
Statutory Services Branch

15 November 2007



29 October 2007

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

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 Statement – Year ended 31 December 2006

I refer to the enclosed financial statement of the ALAEA for the year ended 31 December 2006.

I certify that the documents lodged are true copies of documents supplied to all members of the ALAEA and the Federal Executive on the 27 March 2007 and approved by a presentation meeting of the Federal Executive (committee of Management) of the Australian Licensed Aircraft Engineers Association on 14 May 2007.

The ALAEA rules provide that 5% of the membership can seek a general meeting of the members to discuss the financial report. No request was received from the membership.

Yours faithfully,

Stephen Purvinas
Federal Secretary

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Committee of Management Statement

On March 2007, the Committee of Management of The Australian Licenced Aircraft Engineers' Association ("ALAEA") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2006:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flow 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the organisation is the sole reporting unit; and
 - (v) there has not been any request for information by a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule; and
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.
- (e) No recovery of wages activities was undertaken during the year ending 31 December 2006.

For Committee of Management: **Stephen Purvinas**
Title of Office held: **Federal Secretary**

Signature:



Date:

28.3.7



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Australian Industrial Registry

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Mr Stephen Purvinas
Federal Secretary
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By email: alaea@alaea.asn.au

Dear Mr Purvinas

**Re: Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)
Financial reports for year ended 31 December 2006 - FR 2006/646**

I acknowledge receipt of the financial reports of Australian Licenced Aircraft Engineers Association for the year ended 31 December 2006. The documents were lodged in the Industrial Registry on 30 July 2007.

The financial reports have not been filed.

An examination of the financial reports shows some areas of non-compliance with the financial reporting obligations under the RAO Schedule. I have detailed the areas of concern in the following paragraphs.

1. Designated Officer's Certificate

Designated Officer's signature

The lodged Designated Officer's Certificate entitled "Certificate of Federal Secretary under s.280(1)(b)" was not signed by an elected officer, but rather by a person purportedly acting on behalf of an officer.

Sections 243 and 268 of the RAO Schedule require the Designated Officer's Certificate to be prepared, signed and dated by the elected officer, such as yourself, who is responsible under the rules of the reporting unit for undertaking the functions necessary to enable the organisation to comply with its financial reporting obligations.

Date of documents supplied to members

The Designated Officer's Certificate does not disclose the date when the full report was supplied to the members of The Australian Licensed Aircraft Engineers Association, it merely states "March 2007". It is not clear from the Certificate whether or not the members were given a copy of the full report which, according to s.265 of the RAO Schedule, consists of the auditor's report (signed on 29 March 2007), the general purpose financial report and the operating report (signed on 28 March 2007).

Accordingly, can you please arrange for a new Designated Officer's Certificate be lodged. The Certificate must be prepared, signed and dated by a designated officer and it must also provide the date the financial documents were supplied to the reporting unit's members.

Furthermore, the Designated Officer's Certificate is made under s.268 and not s.280(1)(b).

2. Committee of Management Statement

Date of resolution

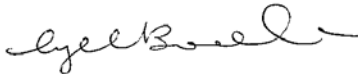
I note the date of resolution, perhaps inadvertently, was not provided. The lodged Committee of Management Statement only gives the unspecified date of "March 2007".

Item 26 of the Reporting Guidelines require the Committee of Management Statement be made in accordance with a resolution as passed by the committee of management. The statement must also specify the date of passage of the resolution.

The date of the Statement, signed by you on 28 March 2007, would suggest that the resolution may have also been passed on the same day. However, I would require this to be **confirmed in writing if true**.

If you wish to discuss any of 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 7989 on Wednesdays and Thursdays or by email at Cynthia.lobooth@air.gov.au

Yours sincerely,



Cynthia Lo-Booth
Statutory Services Branch

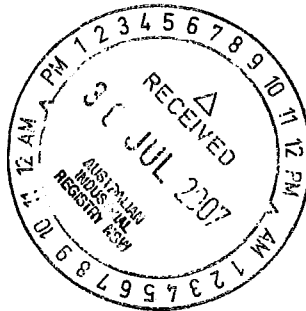
25 October 2007



26 July 2007

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

25 Stoney Creek Rd Bexley 2207 NSW
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Dear Sir/Madam,


Certificate of Federal Secretary under s.280(1)(b)
Financial Statement – Year ended 31 December 2006

I refer to the enclosed financial statement of the ALAEA for the year ended 31 December 2006.

I certify that the documents lodged are true copies of documents supplied to all members of the ALAEA and the Federal Executive in March 2007 and approved by a presentation meeting of the Federal Executive (committee of Management) of the Australian Licensed Aircraft Engineers Association on 14 May 2007.

The ALAEA rules provide that 5% of the membership can seek a general meeting of the members to discuss the financial report. No request was received from the membership.

Yours faithfully,


STEPHEN PURVINAS
Federal Secretary

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Operating Report
For the year ended 31 December, 2006

Your Committee members submit the financial report of the The Australian Licenced Aircraft Engineers' Association (hereinafter referred to as 'ALAEA') for the financial year ended 31 December 2006.

Committee Members:

The names of Committee of Management members who have held office throughout the year and at the date of this report are:

Current committee members

- Appointed from 1 July 2002 (continuing):

Paul Cousins (Federal President)
Wesley Bell (Vice President)
Stephen Purvinas (Federal Secretary)
Kevin Dadge
Danny Morarji
Paras Parasram
Mike Watson

- Appointed from 1 July 2006 (continuing):

Mark Gant (Trustee)
Stephen Re (Trustee)
Wayne Vasta (Assistant Federal Secretary)
Brett Bradbury
Paul Cail
Christopher Hall
Robert McGee
Vinko Vulin

- Appointed from 1 July 2004 (continuing):

Michael Weitenberg (Senior Vice President)

- Appointed from 1 July 2005 (continuing):

Ralph Young

Past committee members Appointed from 1 July 2002 - resigned on 30 June 2006:

Fergus Haines (Trustee)	Shane Kenny (Senior Vice President)
George Herdzik (Trustee)	Michael O'Rance (Federal President)
Frank Coghlan	Keith Tyter (Vice President)
Stephen Fenech (Assistant Federal Secretary)	Tizian Zavarise
Tim Heywood (Federal Secretary)	

Past committee member Appointed from 1 July 2006 - resigned on 9 February 2007:

Mark Falconer

Principal Activities

ALAEA has many stakeholders, including the members we care for and their families, our staff and volunteers, the broader community who use air travel, the government agencies that regulate the air travel industry and our suppliers. ALAEA's sees it position as being the peak body to advise government and assist in advising on the effective regulation of the air travel industry in respect of maintenance and safety issues which are paramount not only to those who use the air travel but to those who may be impacted by that air travel – notably the wider Australian community.

In keeping with this philosophy the principal activities of ALAEA during the financial year were:

- to provide welfare and support facilities and other services including information on technical developments in the aircraft industry, journals and employment related information to members of ALAEA.
- to provide legal representation for workplace related matters and negotiating Enterprise Bargaining Agreements (EBA's) and Australian Workplace Agreements (AWA's) on behalf of members of ALAEA.
- to promote and enforce high standards in aircraft maintenance.
- to provide a means of liaison between the Civil Aviation Safety Authority and Licenced Aircraft Engineers in connection with all matters involving Licenced Aircraft Engineers and the general promotion of safety standards in the aircraft industry.

Significant Changes in Nature of Principal Activities and Financial Affairs

There were no significant changes in the nature of these principal activities or the financial affairs of ALAEA during the financial year.

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Operating Report
For the year ended 31 December, 2006

Operating Result

The loss from ordinary activities after providing for income tax amounted to \$37,848 (2005: \$291,756 profit).

Review of Operations

The results for the period covered in this report represent a balanced outcome when considered in the light of the additional expenditure that has been imposed on ALAEA by outside influences as well as the normal increases in operating costs which were incurred.

Factors which impacted upon the financial results of ALAEA for the year and in the main contributed to the small loss include:

There has been a decrease in the number of registered members at year end compared to the previous year. This, in addition to un-financial members, has principally resulted in a 9% decrease in revenue from member subscriptions.

Normal salary costs increased by about 3.5% during the year which is in line with CPI.

During the year a redundancy payment was made by ALAEA of \$60,000.

Commencing in the year ended 31 December 2005 Qantas broke with previous practice and charged ALAEA for time taken off by Committee Members to attend meetings at ALAEA. This placed an extra burden on ALAEA which in the commencement year 2005 amounted to \$52,000. This cost has increased such that the first full year of application of this new policy by Qantas meant that ALAEA incurred an expense of \$240,189, which in the 2006 financial year consumed approximately 17% of the total income of ALAEA. This will be a continuing additional cost to ALAEA in order to fulfill the objectives ALAEA is committed to as noted above.

Whilst this amount is paid to Qantas and not directly paid by ALAEA to members of the Management Committee, for reporting purposes this expenditure has been recorded as a non-cash benefit to key management personnel at Note 21.

Otherwise the Industrial and Federal management expenses and Overhead expenditure incurred by ALAEA are slightly below long-term average expenditure expressed as a percentage of members' subscriptions.

Significant Changes in Financial Affairs

In the opinion of the Committee of Management, there were no significant changes in the state of affairs of ALAEA that occurred during the financial year under review not otherwise disclosed in this report.

Subsequent Events

With the exception of legal expenses to be incurred as shown in Note 15 and damages or other claims as a result of future unsuccessful defence of legal matters which claims are unable to be quantified at this time, there has not arisen in the interval between the end of the financial year and the date of the report any item, transaction or event of a material and unusual nature that in the opinion of the Committee of Management is likely to substantially affect the operations of ALAEA, the results of those operations, or the state of affairs of ALAEA in future financial years.

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Operating Report
For the year ended 31 December, 2006

Number of Members

At balance date there were 3,876 members of ALAEA (2005: 4,085).

Number of Employees

At balance date there were 5 equivalent full-time employees (2005: 7).

Rights of Members to Resign

Part 6 of ALAEA's constitution provides the following:

- (1) A member of the Association may resign from membership by written notice addressed and delivered to the Federal secretary, or addressed and delivered to the officer performing the duties of the Federal Secretary at the Registered Office of the Association.
- (2) A member ceases to be eligible for membership if he ceases to be employed:
 - (a) in or in connection with an industry or industrial pursuit in respect of which the Association has constitutional coverage.
- (3) A notice of resignation from membership of the Association takes effect:
 - (a) where the member ceases to be eligible to become a member of the Association:
 - (i) on the day on which the notice is received by the Association; or
 - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to become a member;whichever is later.
 - (b) in any other cases, a member's notice of resignation shall take effect:
 - (i) at the end of two weeks after the notice is received by the Association;
 - (ii) or on the day specified in the notice;whichever is later.
- (4) Any dues payable but not paid by the former member, in relation to a period before the member's resignation from the Association took effect, may be sued for and recovered in the name of the Association, in a court of competent jurisdiction, as a debt due to the Association.
- (5) A notice delivered to the person mentioned in (1) above shall be taken to have been received by the Association when it is delivered.
- (6) A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with (1) above.
- (7) 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 on behalf of the Association that his resignation has been accepted.

Operating Report
For the year ended 31 December, 2006

Superannuation Trustees

No officer of ALAEA acts as a Trustee or is a director of a company that acts as a trustee of a superannuation entity or an exempt public sector superannuation scheme where a criterion for being a Trustee is the officer is a member of a registered organization.

ALAEA is only aware of one member (not being an officeholder) of ALAEA acting as a Trustee in the circumstances aforementioned. Details are as follows:

Members name – Mr. Kash Gillies

Name of Superannuation Fund – Qantas Superannuation Limited

Position held – Trustee

Contingencies and Commitments

There are no contingencies or commitments other than stated at Note 14.

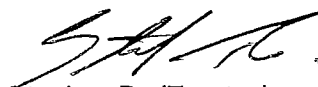
Proceedings on behalf of ALAEA

No person has applied for leave of Court to bring proceedings on behalf of ALAEA or intervene in any proceedings to which ALAEA is a party for the purpose of taking responsibility on behalf of ALAEA for all or any part of those proceedings.

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



Mark Gant (Trustee)



Stephen Re (Trustee)

Dated this 28 day of March 2007

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Committee of Management Statement

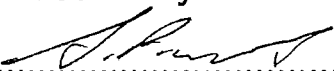
On March 2007, the Committee of Management of The Australian Licenced Aircraft Engineers' Association ("ALAEA") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2006:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flow 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the organisation is the sole reporting unit; and
 - (v) there has not been any request for information by a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule; and
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.
- (e) No recovery of wages activities was undertaken during the year ending 31 December 2006.

For Committee of Management: **Stephen Purvinas**
Title of Office held: **Federal Secretary**

Signature:

.....

Date:

.....28.3.7.....

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

INCOME STATEMENT
for the year ended 31 December 2006

	Note	2006 \$	2005 \$
Revenue from ordinary activities	2	1,755,678	1,830,706
Employee benefits expense		(613,801)	(573,420)
Depreciation expenses		(37,572)	(42,119)
Seminar expenses		(35,214)	(40,572)
Industrial & management expenses		(877,031)	(656,657)
Postage, Printing & stationery		(56,841)	(66,571)
Computer expenses		(49,927)	(28,198)
Other expenses from ordinary activities		<u>(123,140)</u>	<u>(131,413)</u>
Profit/(Loss) from ordinary activities before income tax expense	3,18(a)	(37,848)	291,756
Income tax expense relating to ordinary activities	1(a), 4	<u>-</u>	<u>-</u>
Net profit / (loss) from ordinary activities after Income tax expense attributable to ALAEA		<u>(37,848)</u>	<u>291,756</u>
Total changes in equity other than those resulting From transactions with owners as owners		<u>(37,848)</u>	<u>291,756</u>

The accompanying notes form part of these financial statements.

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

BALANCE SHEET
for the year ended 31 December 2006

	Note	2006 \$	2005 \$
Current assets			
Cash and cash equivalents	6	2,245,459	2,246,767
Trade and other receivables	7	83,013	118,675
Financial assets	8	1,546,780	1,372,811
Other current assets	9	<u>33,916</u>	<u>44,465</u>
Total current assets		<u>3,909,168</u>	<u>3,782,718</u>
Non-current assets			
Property, plant and equipment	10	<u>346,888</u>	<u>384,460</u>
Total non-current assets		<u>346,888</u>	<u>384,460</u>
Total assets		<u>4,256,056</u>	<u>4,167,178</u>
Current liabilities			
Trade and other payables	11	436,781	145,793
Provisions	12	<u>52,904</u>	<u>175,956</u>
Total current liabilities		<u>489,685</u>	<u>321,749</u>
Non-Current liabilities			
Provisions	12	<u>15,942</u>	<u>57,152</u>
Total current liabilities		<u>15,942</u>	<u>378,901</u>
Total liabilities		<u>505,627</u>	<u>378,901</u>
Net Assets		<u>3,750,429</u>	<u>3,788,277</u>
Equity			
General Fund		<u>3,750,429</u>	<u>3,788,277</u>
Total equity		<u>3,750,429</u>	<u>3,788,277</u>

The accompanying notes form part of these financial statements.

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2006

	Note	Retained Earnings \$	Total \$
Balance at 1 January 2005		3,496,521	3,496,521
Surplus for the year		<u>291,756</u>	<u>291,756</u>
Balance at 31 December 2005		3,788,277	3,788,277
Surplus/(Loss) for the year		<u>(37,848)</u>	<u>(37,848)</u>
Balance at 31 December 2006		<u>3,750,429</u>	<u>3,750,429</u>

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

STATEMENT OF CASH FLOWS
for the year ended 31 December 2006

	Note	2006 \$	2005 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (incl. Members)		1,602,499	1,727,390
Payments to suppliers and employees		(1,788,921)	(1,638,863)
Interest received		131,575	95,860
Trust distributions		163,665	126,171
Donations received from closing union		46,543	-
Sundry receipts		<u>6,996</u>	<u>-</u>
Net cash provided by (used in) operating activities	18(a)	<u>162,357</u>	<u>310,558</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from property, plant & equipment		-	13,091
Purchase of plant & equipment		-	(38,376)
Purchase of investments		<u>(163,665)</u>	<u>(126,171)</u>
Net cash provided by investing activities		<u>(163,665)</u>	<u>(151,456)</u>
Net increase/(decrease) in cash held		(1,308)	159,102
Cash at 1 January 2006		<u>2,246,767</u>	<u>2,087,665</u>
Cash at 31 December 2006	6	<u>2,245,459</u>	<u>2,246,767</u>

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

1. Statement of significant accounting policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The Australian Licenced Aircraft Engineers' Association (hereinafter also referred to as "ALAEA") is a Trade Union affiliated to the ACTU.

The financial report of ALAEA complies with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety.

As a result, some terminology has changed with effect from 31 December 2005. In particular, Section 253(2) of RAO Schedule 1 and Determinations of reporting guidelines for the purposes of section 253 and 270 of the RAO Schedule refer to a profit and loss statement or other operating statement or statement of financial position. This statement is now referred to under GPFR prepared under IFRS as an Income Statement.

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

Basis of Preparation

The Australian Licenced Aircraft Engineers' Association has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS) from 1 January 2005.

The accounting policies set out below have been consistently applied to all years presented. The entity has however elected to adopt the exemptions available under AASB 1 relating to AASB 132: Financial Instruments: Disclosure and Presentation, and AASB 139: Financial Instruments: Recognition and Measurement. Refer Note 25 for further details.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Where required by Accounting Standards or as a result of applying for the first time reporting requirements of the Workplace Relations Act 1996 comparative figures have been adjusted to conform with changes in presentation for the current year.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

1. Statement of significant accounting policies (continued)

Accounting Policies

(a) Income Tax

ALAEA is a registered Trade Union and 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 and impairment losses.

Property

Freehold land and buildings are measured on the cost basis less subsequent depreciation for buildings and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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 that 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 amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

Class of asset	Depreciation rate	Depreciation basis
Buildings	5% - 10%	Prime cost
Office equipment & furniture	10% - 25%	Prime cost
Motor vehicles	15%	Prime cost

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

1. Statement of significant accounting policies (continued)

(b) Property, Plant and Equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

De-recognition and disposal

An item of property, plant and equipment is de-recognised upon disposal or when the item is no longer used in the operations of the association. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is de-recognised.

(c) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

1. Statement of significant accounting policies (continued)

(d) Financial Instruments

Recognition

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

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

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

Available-for-sale financial assets

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

Financial liabilities

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

Fair value

Fair value is determined based on current unit prices for all unquoted investments by reference to the unit price at year end as determined by the Fund Manager.

Impairment

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

1. Statement of significant accounting policies (continued)

(e) Impairment of Assets

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

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

(f) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. 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.

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

(g) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

1. Statement of significant accounting policies (continued)

(i) Revenue

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

Revenue from members' subscriptions and joining fees are recognised when received.

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

Trust distributions from managed funds adjusted for franking credits are recognised at crediting date being the date the Fund Manager applies the distribution to the purchase of units in the managed funds. Refer Note 26.

Donations are recognised on receipt.

No amounts are included in the financial statements for services donated by volunteers.

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

(j) 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 Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

(k) Affiliation fee

ALAEA is required to pay an annual affiliation fee to the ACTU.

(l) Comparative Figures

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

1. Statement of significant accounting policies (continued)

(m) Significant accounting estimates and judgments

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transaction and other events is reported.

In the application of AIFRS management is required to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting judgments

ALAEA continues to lease office equipment as disclosed in Note 13. Management has determined that all the risks and rewards of ownership of that equipment remain with the lessor and has therefore classified the leases as operating leases.

Significant accounting estimates and assumptions

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Provision for employee benefits

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures and periods of service, as discussed in Note 1(f). The amount of these provisions would change should any of these factors change in the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

1. Statement of significant accounting policies (continued)

(n) 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 272 of Schedule 1 which reads as follows:

- (1) A member of a reporting unit, or a 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.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

	Note	2006 \$	2005 \$
2. Revenue from Ordinary activities			
<i>(a) Operating activities</i>			
Interest received from other persons	2(b)	122,100	113,279
Members subscriptions		1,423,180	1,562,329
Trust distributions	26	<u>146,555</u>	<u>132,436</u>
Total revenue from operating activities		<u>1,691,835</u>	<u>1,808,215</u>
<i>Non-operating activities</i>			
Unrealised gains on managed funds	26	10,304	22,491
Donation received from closing union		46,543	-
Insurance recoveries		<u>6,996</u>	<u>-</u>
Total revenue from non-operating activities		<u>63,843</u>	<u>22,491</u>
Total revenue		<u>1,755,678</u>	<u>1,830,706</u>
<i>(b) Interest revenue from:</i>			
Other persons		<u>122,100</u>	<u>113,279</u>
Total interest revenue		<u>122,100</u>	<u>113,279</u>
3. Profit from Ordinary Activities			
<i>(a) Expenses</i>			
Depreciation		37,572	42,119
Rental expense on operating leases			
- minimum lease payments plant & equipment		<u>26,289</u>	<u>26,289</u>
<i>(b) Significant expenses</i>			
The following expense items are relevant in explaining the financial performance:			
Employee benefits expense to officeholders		570,801	305,549
Employee benefits expense to other than officeholders		613,801	573,420
Legal costs		148,297	112,587
Consultants fees		49,749	36,387
Meetings and conference expenses		366,214	296,356
General administrative expenses		216,963	175,194
Welfare fund contributions		14,231	15,624

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

	2006 \$	2005 \$
4. Income tax expense		
(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2005: 30%)	-	87,526
Less:		
Tax effect of:		
- non-taxable income arising from income tax exemption	-	(87,526)
Income tax expense	-	-
5. Auditor's remuneration		
Remuneration of auditor for:		
- auditing or review of financial report	17,800	11,250
- other services	<u>4,820</u>	<u>6,356</u>
6. Cash and cash equivalents		
Cash at bank and on hand	238,460	251,512
Short term bank deposits	<u>2,006,999</u>	<u>1,995,255</u>
	<u>2,245,459</u>	<u>2,246,767</u>
The effective interest rate on short-term bank deposits was 6.1% (2005: 5.8%); these deposits have an average maturity of 96 days.		
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	<u>2,245,459</u>	<u>2,246,767</u>

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

	2006 \$	2005 \$
7. Trade and other receivables		
Subscriptions receivable	68,403	101,565
Other debtors	<u>14,610</u>	<u>17,110</u>
	<u>83,013</u>	<u>118,675</u>
8. Financial assets		
Available for sale financial assets	<u>1,546,780</u>	<u>1,372,811</u>
Unlisted investments – at fair value	<u>1,546,780</u>	<u>1,372,811</u>
Total available-for-sale financial assets	<u>1,546,780</u>	<u>1,372,811</u>
Available-for-sale financial assets comprise investments in Managed Funds. There are no fixed returns or fixed maturity date attached to these investments.		
9. Other current assets		
Prepayments	8,656	9,730
Accrued interest	<u>25,260</u>	<u>34,735</u>
	<u>33,916</u>	<u>44,465</u>

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

	2006 \$	2005 \$
10. Property, plant and equipment		
Land and buildings		
Freehold land (at cost)	<u>110,000</u>	<u>110,000</u>
Building:		
At cost	384,214	384,214
Less accumulated depreciation	<u>199,614</u>	<u>179,970</u>
Total buildings	<u>184,600</u>	<u>204,244</u>
Total land and buildings	<u>294,600</u>	<u>314,244</u>
Plant and equipment		
Plant & equipment:		
At cost	187,830	200,344
Accumulated depreciation	135,542	130,128
Accumulated impairment losses	<u>-</u>	<u>-</u>
Total plant and equipment	<u>52,288</u>	<u>70,216</u>
Total property, plant and equipment	<u><u>346,888</u></u>	<u><u>384,460</u></u>

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 \$	Buildings \$	Office Equipment \$	Motor vehicles \$	Total \$
Balance at the beginning of the year	110,000	204,244	23,712	46,504	384,460
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation expense	-	(19,644)	(9,679)	(8,249)	(37,572)
Cash	<u>110,000</u>	<u>184,600</u>	<u>14,033</u>	<u>38,255</u>	<u>346,888</u>

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

2006	2005
\$	\$

11. Trade and other payables

Current

Unsecured liabilities:

Trade payables	65,989	54,025
Commissions payable to employers	1,606	1,628
Legal fees payable	35,092	3,098
Employee benefits payable – officeholders	319,409	52,000
GST payable	-	28,588
Welfare Fund contributions payable	<u>14,685</u>	<u>6,454</u>
	<u>436,781</u>	<u>145,793</u>

Employee benefits payable – officeholders:

This amount is payable to Qantas in respect of days taken from the employer airline by officeholders to attend official meetings of ALAEA.

12. Provisions

Current

Employee benefits – non office holders		
Annual leave	52,904	75,956
Conferences & training	<u>-</u>	<u>100,000</u>
Total current provisions	<u>52,904</u>	<u>175,956</u>

Non-current

Employee benefits – non office holders		
Long service leave	<u>15,942</u>	<u>57,152</u>
Total Non-current provisions	<u>15,942</u>	<u>57,152</u>

Movements in provisions

Current

Employee benefits movements – non office holders

Opening balance at beginning of year	75,956	62,666
Additional provisions raised during year	41,134	40,632
Amounts used	(64,186)	(27,342)
Adjustments	<u>-</u>	<u>-</u>
<i>Balance at end of the year</i>	<u>52,904</u>	<u>75,956</u>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

	2006 \$	2005 \$
12. Provisions (continued)		
Movements in provisions (continued)		
Current		
<i>Conferences and training</i>		
Opening balance at beginning of year	100,000	75,000
Additional provisions raised during year	-	25,000
Amounts used	(100,000)	-
Adjustments	-	-
<i>Balance at end of the year</i>	<u>-</u>	<u>100,000</u>
Non-current		
<i>Employee benefits movements – non office holders</i>		
Opening balance at beginning of year	57,152	49,380
Additional provisions raised during year	(8,876)	7,772
Amounts used	(32,334)	-
Adjustments	-	-
<i>Balance at end of the year</i>	<u>15,942</u>	<u>57,152</u>
Analysis of total provisions		
Current	52,904	175,956
Non-current	<u>15,942</u>	<u>57,152</u>
	<u>68,846</u>	<u>233,108</u>
Number of employees at year end		
- Non Officeholders	<u>5</u>	<u>7</u>
- Officeholders	<u>17</u>	<u>18</u>

Provision for Conferences and Training

ALAEA no longer provides for estimated conference and training expenses. ALAEA may incur costs in the future in connection with the Federal conference. It is estimated that ALAEA may incur costs of approximately \$120,000 in the year ending 31 December 2010 in the holding of the Federal conference.

Provision for Long-term Benefits

A provision has been recognised for employee entitlements relating to annual and long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. For the 2005 financial year the provision for long service leave was shown at the nominal amount i.e. prior to applying discounting and probability analysis. The equivalent nominal amount for 2006 year is \$35,940. The measurement and recognition criteria for employee benefits have been included in Note 1(m).

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

2006	2005
\$	\$

13. Capital and leasing commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable – minimum lease payments

- Not later than 12 months	26,289	26,289
- Between 12 months and 5 years	-	13,495
- Greater than 5 years	-	-
Balance at the end of the year	<u>26,289</u>	<u>39,784</u>

ALAEA has not entered into any new leases during the past financial year.

14. Contingent liability

Estimates of the potential financial effect of contingent liabilities that may become payable:

Contingent Liabilities

Claims:

The committee have estimated the cost of legal actions commenced in respect of members or in defending actions taken against members and ALAEA but which have not been taken up as an expense in the financial statements as:

ALAEA is unable to quantify the additional cost to the association from the possible claims for damages by third parties in the event of losing any of the above legal actions.

<u>100,000</u>	<u>80,000</u>
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15. Employment commitments

Superannuation commitment

ALAEA has provided for superannuation contributions for each employee in accordance with their workplace agreement. Details of contributions are as follows:

Employer contributions expensed in Income Statement	<u>53,636</u>	<u>60,808</u>
Employer contributions provided as payable at balance date	<u>3,341</u>	<u>4,678</u>

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

16. Segment reporting

ALAEA operates predominantly in one business and geographical segment, being a Trade Union of Licenced Aircraft Engineers operating throughout Australia. Some members also reside and work in as Licenced Aircraft Engineers outside Australia.

17. Events subsequent to Reporting Date

(a) ALAEA expects a significant increase in legal expenses during the period ended 31 December 2007 in defending an action against ALAEA in respect of matters pertaining to Ansett.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of ALAEA, the results of those operations, or the state of affairs of ALAEA in future financial years.

(b) The financial report was authorised for issue on [insert date] by the Trustees.

18. Cash Flow Information

(a) Reconciliation of Net Cash provided by operating activities to Profit from ordinary activities after income tax

	2006 \$	2005 \$
Profit / (loss) from ordinary activities after income tax	<u>(37,848)</u>	<u>291,756</u>
Non-cash flows in profit from ordinary activities:		
Depreciation	37,572	42,119
Net gain on sale of property, plant & equipment	-	4,337
Unrealised loss/(gain) on investments	(10,304)	(22,491)
Investment management fees	-	4,122
Changes in assets and liabilities:		
(Increase)/Decrease in accounts receivable	42,637	(9,309)
(Increase)/Decrease in other assets	2,500	(6,435)
Increase/(Decrease) in prepayments	1,074	(3,121)
Increase/(Decrease) in creditors and accruals	290,988	(11,482)
Increase/(Decrease) in provisions	<u>(164,262)</u>	<u>21,062</u>
Net cash provided by operating activities	<u>162,357</u>	<u>310,558</u>

(b) Credit stand-by arrangement and loan facilities

ALAEA has no credit stand-by or financing facilities in place

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

	2006 \$	2005 \$
19. Related Party Transactions		
(a) Transactions with members:		
ALAEA provides necessary welfare and support services to its members.		
(b) Transactions with ACTU:		
- affiliation fees paid to the ACTU which amount is included in the determination of operating profit before income tax	<u>39,702</u>	<u>22,538</u>

(c) Trustees:

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

Fergus Haines (resigned 30/06/2006), George Herdzik (resigned 30/06/2006), Mark Gant (appointed 01/07/2006) and Stephen Re (appointed 01/07/2006).

(d) Committee Members:

The names of persons who were Committee Members of ALAEA at any time during the financial year are as follows:

Continuing (Appointed 01/07/2006) – Paul Cousins, Wesley Bell, Kevin Dadge, Stephen Purvinas, Danny Morarji, Paras Parasram, Michael Weitenberg and Mike Watson.

Continuing (Appointed 01/07/2005) – Ralph Young

Continuing (Appointed 01/07/2006) – Wayne Vasta, Robert McGee, Brett Bradbury, Paul Cail, Christopher Hall, Vinko Vulin.

Resigned 01/07/2006 – Stephen Fenech, Michael O'Rance, Shane Kenny, Keith Tyter, Tim Heywood, Tizian Zavarise and Frank Coghlan.

Resigned 09/02/2007 – Mark Falconer (appointed 01/07/2006 and resigned 09/02/2007).

(e) Trustees' transactions:

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

20. Mortality and other benefits

ALAEA contributes to a Welfare Fund for members of ALAEA. The fund is administered by the Federal Executive of ALAEA. The balance of the Welfare Fund at 31st December 2006 was \$90,231 (2005: \$76,249).

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

21. Key Management Personnel Compensation

	Short-term Benefits					Post Employment Benefit	Total
	Salary & Fees \$	Superannuation Contribution \$	Bonus \$	Non-Cash Benefits (refer to Note 21(a)) \$	Other \$	Long-term Benefits Long Service Leave \$	
2006 Total compensation	61,443	4,438	-	259,078	-	-	324,859
2005 Total compensation	107,186	8,299	-	66,821	-	-	182,306

21(a) Non-cash benefits are predominantly comprised of amounts charged to ALAEA by Qantas in respect of days taken off from the employer airline by officeholders to attend official meetings of ALAEA.

22. Recovery of wages activity

ALAEA did not undertake any recovery of wages activities during the year ending 31 December 2006.

2006	2005
\$	\$

23. Other information required under determination of reporting guidelines for the purposes of sections 253 & 270 of RAO Schedule

The following expense items are provided in accordance with the above RAO schedule:

Section 253 determination Paragraph 11:

(a) Employer payroll deduction expenses	18,079	22,538
(b) & Payments to another reporting unit as contribution towards		
(c) administrative expenses	0	0
(d) Federation and affiliation fees	39,702	28,777
(e) Compulsory levies imposed on ALAEA not included in (d)	0	0
(f) Donations to benevolent institutions	1,200	7,884
Grants & donations to other institutions	0	0
(g) Employee benefits <i>expense</i> to officeholders	570,801	305,549
(h) Employee benefits <i>expense</i> to other than officeholders	613,801	573,420
(i) Fees or allowances to persons in respect of their attendances as representatives of ALAEA at conferences or other meetings	0	0
(j) Legal costs and litigation expenditure	148,297	112,587
(k) Meetings and conference expenses	366,214	296,356
(l) Penalties imposed under the Act or Regulations	0	0

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

	2006 \$	2005 \$
23. Other information required under determination of reporting guidelines for the purposes of sections 253 & 270 of RAO Schedule (continued)		
<i>Section 270 determination Paragraph 19:</i>		
(a) Employer payroll deduction expenses	18,079	22,538
(b) Federation and affiliation fees	39,702	28,777
(c) Compulsory levies imposed on ALAEA not included in (d)	0	0
(d) Donations to benevolent institutions	1,200	7,884
Grants & donations to other institutions	0	0
(e) Employee benefits <i>paid</i> to officeholders:		
(i) wages & benefits	301,190	158,522
(ii) annual leave	0	19,835
(iii) long service leave	0	0
(iv) superannuation	4,359	8,441
(f) Employee benefits <i>paid</i> to other than officeholders:		
(i) - wages & benefits	351,897	453,394
- redundancy	60,000	0
(ii) - annual leave	63,185	19,835
(iii) - long service leave	32,334	0
(iv) - superannuation	52,301	57,535
(g) Fees or allowances to persons (excluding amounts included in sub-paragraphs (e) and (f) above) in respect of their attendances as representatives of ALAEA at conferences or other meetings	0	0
(h) Remuneration of auditor for:		
- auditing or review of financial report	17,800	11,250
- other services	4,820	6,356
(i) Meetings and conference expenses	366,214	296,356
(j) General administrative expenses	216,963	175,194
(k) Interest on loans and any other expenses incurred in connection with the control or management of assets of ALAEA	0	4,122
(l) Depreciation or amortisation on investments and assets	37,572	42,119
(m) Penalties imposed under the Act or Regulations	0	0

24. Association details

The principal place of business and registered office of ALAEA is:
25 Stoney Creek Rd
Bexley, NSW

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

25. Financial instruments

(a) Financial Risk Management

ALAEA's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and leases.

ALAEA does not have any derivative instruments at 31 December 2006.

(i) Financial Risks

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

(ii) Interest rate risk

ALAEA is not exposed to fluctuations in interest rate on debt. For further details on interest rate risk refer to Note 24(b).

(iii) Foreign currency risk

ALAEA is not exposed to fluctuations in foreign currencies except in its investments through managed funds which are professionally managed by parties not associated with ALAEA.

(iv) Liquidity risk

ALAEA manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash facilities are maintained.

(v) Credit risk

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

ALAEA does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by ALAEA.

(vi) Price risk

ALAEA is not exposed to any material commodity price risk.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

25. Financial Instruments (continued)

(b) Interest Rate Risk

ALAEA'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 and financial liabilities, is as follows:

	Weighted Average Effective interest rate		Floating Interest Rate		Within 1 year		Non-interest bearing		Total	
	2006 %	2005 %	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$	2006 \$	2005 \$
Financial assets:										
Cash	.05	.05	238,460	251,512	-	-	-	-	238,460	251,512
Cash in short term deposits	6.08	5.8	-	-	2,006,999	1,995,255	-	-	2,006,999	1,995,255
Receivables			-	-	-	-	83,013	118,675	83,013	118,675
Investments			-	-	-	-	1,546,780	1,372,811	1,546,780	1,372,811
Total Financial Assets			<u>238,460</u>	<u>251,512</u>	<u>2,006,999</u>	<u>1,995,255</u>	<u>1,629,793</u>	<u>1,491,486</u>	<u>3,875,252</u>	<u>3,738,253</u>
Financial liabilities:										
Trade and other payables			-	-	-	-	436,781	145,793	436,781	145,793
Total Financial Liabilities			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>436,781</u>	<u>145,793</u>	<u>436,781</u>	<u>145,793</u>

(c) Net fair values of financial assets and liabilities

For 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. Financial assets where the carrying amount exceeds net fair values have not been written down as the entity 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 the financial statements.

Aggregate net fair values are materially in line with carrying amounts of financial assets and financial liabilities at balance date.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

26. Change in accounting policy

- (a) ALAEA has adopted the following Accounting Standard for application on or after 1 January 2006:
- AASB 119 Employee Benefits
- (b) Accordingly ALAEA changed its accounting policy for the financial year ending 31 December 2006 relating to its measurement of employee benefits.

Employee benefits not paid within the next 12 months were previously recognised by ALAEA at their nominal amount. Under AASB 119: Employee Benefits recorded in accordance with AIFRS are required to be measured at their present value.

The aggregate effect of the change in accounting policy on the annual financial statements for the year ended 31 December 2006 is as follows (no taxation effect results from these changes):

	2006			2005		
	Previously stated \$	Adjustments \$	Restated \$	Previously stated \$	Adjustment \$	Restated \$
Income Statement						
Adjustment to opening retained earnings	3,788,277	23,157	3,811,434	3,496,521	-	3,496,521
Changes in Employee Benefits	613,882	23,157	637,039	573,420	(23,157)	550,263
Profit before income tax expense	(37,848)	(23,157)	(61,005)	291,756	23,157	314,913
Balance Sheet						
Provisions	15,942	-	15,942	233,108	(23,157)	209,951

- (c) ALAEA changed its accounting policy for the financial year ending 31 December 2006 relating to its recognition of income from managed funds. In prior years the increase or decrease in value of these managed funds was shown as either unrealised gains or losses until such time as the managed funds were realised. The policy now is to recognise trust distributions from managed funds at the time of crediting by the fund manager as the fund manager applies the notional trust distribution to increasing the number of units invested in the managed fund. These amounts are now shown separately as Trust Distributions and Unrealised Gains or Losses on the managed funds. Refer Notes 1(d) and 1(i). There is no impact by this change in reporting on the profit reported for the year ended 31 December 2005.

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2006

26. Change in Accounting Policy (continued)

- (d) The following Australian Accounting Standards issued or amended but are not yet effective and which are applicable to the company have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	AASB Standard Affected	Nature of Change in Accounting Policy and Impact	Application Date of the Standard	Application Date for the Group
2005-10	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2007	1 July 2007
	AASB 101: Presentation of Financial Statements			
	AASB 114: Segment Reporting			
	AASB 117: Leases			
	AASB 1: First-time adoption of AIFRS			
	AASB 1038: Life Insurance Contracts			
New Standard	AASB 7: Financial Instruments: Disclosure	No change, no impact	1 January 2007	1 July 2007

All other pending standards issued between the previous financial report and the current reporting dates have no application to the company.

AASB Amendment	AASB Standard Affected
2004-3	AASB 1: First-time adoption of AIFRS
	AASB 101: Presentation of Financial Statements
	AASB 124: Related Party Disclosures
2005-1	AASB 139: Financial Instruments: Recognition and Measurement
2005-2	AASB 1023: General Insurance Contracts
2005-4	AASB 139: Financial Instruments: Recognition and Measurement
	AASB 132: Financial Instruments: Disclosure and Presentation
2005-5	AASB 1: First-time adoption of AIFRS
2005-5	AASB 139: Financial Instruments: Recognition and Measurement
2005-9	AASB 4: Insurance Contracts
	AASB 1023: General Insurance Contracts
	AASB 139: Financial Instruments: Disclosure and Presentation
New Standard	AASB 119: Employee Benefits: December 2004

AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Independent Audit Report

To the members of The Australian Licenced Aircraft Engineers' Association

Scope

The financial report and committee's responsibility

The financial report comprises the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, accompanying notes to the financial statements, and the statement by members of the committee for The Australian Licenced Aircraft Engineers' Association ("ALAEA"), for the year ended 31 December 2006.

ALAEA's Committee of Management and Accounting Officer are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of ALAEA. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the ALAEA's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee and Accounting Officer.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the general purpose financial report of The Australian Licenced Aircraft Engineers' Association presents fairly in accordance with applicable Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996, the financial position of The Australian Licenced Aircraft Engineers' Association as at 31 December 2006, and the results of its operations and its cash flows for the year then ended.

J.W. Kellert & Co
Chartered Accountant



John W. Kellert B.Comm., F.C.A.
Registered Auditor No. 2874
Approved Auditor (Reg. 4 of RAO Regulations)
Suite 4, 78 Cahors Rd, Padstow, NSW
Dated this 29th day of March 2007.

COMPILATION REPORT ON ADDITIONAL INFORMATION
TO THE MEMBERS OF
THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Scope

My Auditor's Report dated 29th March 2007, covering the General Purpose Financial Statements of The Australian Licenced Aircraft Engineers' Association (hereinafter called 'ALAEA') for the year ended 31 December 2006 as presented by the Committee Members in the preceeding pages, does not relate to the Additional Financial Information presented hereinafter which are designated as special purpose financial information.

We have compiled the following special purpose Income and Expenditure Statement and Welfare Fund Income and Expenditure Statement and Balance Sheet (the "Additional Financial Information") in accordance with APS 9: Statement on Compilation of Financial Reports

Disclaimer:

The additional financial information for the year ended 31 December 2006 is in accordance with the books and records presented to us by ALAEA that have been subjected to the auditing procedures applied in my audit of ALAEA's General Purpose Financial Statements for the year ended 31 December 2006.

It will be appreciated that my audit of the General Purpose Financial Statements did not include verification or validation procedures of all items of the following Additional Financial Information.

Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the Additional Financial Information, which has been prepared to satisfy the information requirements of the Committee of Management.

Accordingly, I do not express an opinion on this special purpose Additional Financial Information and no warranty of accuracy or reliability is given. To the extent permitted by law, neither myself or any employee or associated entity of mine undertakes responsibility arising in any way whatsoever to any person (other than ALAEA) and we do not accept liability for any loss or damage which any person (other than ALAEA) may suffer in respect of such Additional Financial Information, including any errors or omissions therein, arising through negligence or otherwise however caused. No person should rely on the Additional Financial Information without having an audit or review conducted.

J.W. KELLERT & CO.
Chartered Accountant



By: **John W. Kellert** B.Comm., F.C.A.
Date: 26th March, 2007
Address: Suite 4, 78 Cahors Road
Padstow, NSW, 2211

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Income & Expenditure Statement
For the year ended 31 December, 2006

	2006 \$	2005 \$
Income		
Members' subscriptions	1,423,180	1,562,329
Interest received	122,100	113,279
Trust distributions	146,555	132,607
Donations	46,543	-
Insurance recoveries	6,996	-
Unrealised gains on managed funds	<u>10,304</u>	<u>22,491</u>
Total income	<u>1,755,678</u>	<u>1,830,706</u>
<u>Expenses</u>		
Employment Costs		
Salaries & annual leave – Employees	446,809	503,490
Redundancy costs	60,000	-
Long service leave provision	(8,876)	7,772
Payroll tax	81	604
Temporary staffing & placements	62,232	1,350
Superannuation	<u>53,636</u>	<u>60,808</u>
	<u>613,882</u>	<u>574,024</u>
Industrial		
Industrial & travel expenses	220,280	253,782
Professional services	220,666	166,580
Telephone	<u>36,668</u>	<u>45,565</u>
	<u>477,614</u>	<u>465,927</u>
Management		
Affiliation fees	39,702	28,778
Federal executive expenses	359,715	161,952
Training & conferences	<u>35,214</u>	<u>40,572</u>
	<u>434,631</u>	<u>231,302</u>

This Additional Information does not form part of the audited general purpose financial statements.

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

Income & Expenditure Statement
For the year ended 31 December, 2006

	2006 \$	2005 \$
Overhead Expenses		
Advertising	1,861	1,869
Bank charges	7,725	7,416
Commissions on employer payroll deductions	18,079	22,538
Computer expenses	49,927	28,198
Depreciation – building	19,644	19,644
Depreciation – equipment	17,928	22,475
Donations	1,200	7,885
Electricity	3,648	5,401
Fringe benefits tax	8,515	6,797
Insurance	13,311	10,159
Investment management fees	-	4,122
Library	16,376	7,322
Loss on disposal of plant and vehicles	-	4,337
Motor vehicle expenses	11,550	14,707
Postage & delivery	18,580	17,868
Printing & stationery	38,261	48,703
Rates & property expenses	21,251	16,760
Repairs & maintenance	1,935	1,432
Staff amenities	3,377	4,440
Welfare Fund contribution	<u>14,231</u>	<u>15,624</u>
	<u>267,399</u>	<u>267,697</u>
 TOTAL EXPENDITURE	 <u>1,793,526</u>	 <u>1,538,950</u>
 OPERATING SURPLUS/(LOSS) FOR YEAR	 (37,848)	 291,756
 Accumulated funds at beginning of year	 <u>3,788,277</u>	 <u>3,496,521</u>
 ACCUMULATED FUNDS AT END OF YEAR	 <u>3,750,429</u>	 <u>3,788,277</u>

This is for the information of members and does not form part of the audited general purpose financial statements.

THE AUSTRALIAN LICENCED AIRCRAFT ENGINEERS' ASSOCIATION
ABN 84 234 747 620

WELFARE FUND

Income & Expenditure Statement
For the year ended 31 December, 2006

	2006 \$	2005 \$
Income		
Contributions from General Fund	14,231	15,624
Interest received	<u>5,751</u>	<u>3,504</u>
Total income	<u>19,982</u>	<u>19,128</u>
Expenses		
Welfare payments	<u>6,000</u>	<u>18,000</u>
	<u>6,000</u>	<u>18,000</u>
SURPLUS/(DEFICIT) FOR THE YEAR	13,982	1,128
Accumulated funds at beginning of year	<u>76,249</u>	<u>75,121</u>
ACCUMULATED FUNDS AT END OF YEAR	<u>90,231</u>	<u>76,249</u>

Balance Sheet
As at 31 December, 2006

Current Assets

Investments		
Term deposit	75,546	69,795
Receivables - ALAEA	<u>14,685</u>	<u>6,454</u>
Net Assets	<u>90,231</u>	<u>76,249</u>
Accumulated Funds	<u>90,231</u>	<u>76,249</u>

This is for the information of members and does not form part of the audited general purpose financial statements.