

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

**(Trading as Professionals Australia)**

**ABN 99 589 872 974**

**& ITS CONTROLLED ENTITIES**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2026**

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS  
CONTROLLED ENTITIES**  
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**30 June 2026**

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**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER**

**Certificate for the year ended 30 June 2026**

I, Katie Havelberg being the National President of the Association of Professional Engineers, Scientists & Managers, Australia (referred to through this report as Group, Reporting Unit and Association), trading as Professionals Australia, certify:

- that the documents lodged herewith are copies of the full report for the Association of Professional Engineers, Scientists & Managers, Australia, trading as Professionals Australia, for the period ended 30 June 2026 referred to in section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the Reporting Unit on the 24 September 2026; and
- that the full report was presented to a general meeting of members of the Reporting Unit on 17 October 2026 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

K. Havelberg  
National President

Dated: 17 October 2026  
West Melbourne, Victoria

**REPORT REQUIRED UNDER SUBSECTION 255(2A)**

for the year ended 30 June 2026

The National Board (APESMA's committee of management) presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2026.

Descriptive form

| <b>Categories of expenditures</b>                          | <b>2026</b> | <b>2025</b> |
|------------------------------------------------------------|-------------|-------------|
|                                                            | \$          | \$          |
| Remuneration and other employee-related costs and expenses | 11,112,979  | 10,461,333  |
| Advertising                                                | 29,081      | 20,552      |
| Operating costs                                            | 4,027,270   | 3,916,495   |
| Donations to political parties                             | Nil         | Nil         |
| Legal costs                                                | 409,211     | 414,465     |



K. Havelberg  
National President

Dated: 22 September 2026  
West Melbourne, Victoria

## **OPERATING REPORT for the year ended 30 June 2026**

The National Board presents the report of the Group (APESMA Group) consisting of the Association of Professional Engineers, Scientists & Managers, Australia trading as Professionals Australia and the entities it controlled for the year ended 30 June 2026.

### **PRINCIPAL ACTIVITIES**

APESMA represents the industrial and professional interests of a range of professional employees across Australia. Members include engineers, scientists, pharmacists, managers, technology professionals, translators and interpreters, architects and senior collieries staff.

We advocate for and defend the rights of members and provide industrial information, advice, representation and support on workplace issues, grievances and disputes.

Through our collective influence and by providing tailored workplace and career solutions, we help our members achieve personal and professional recognition, respect and reward throughout their careers.

We also deliver tailored workplace solutions to assist members including engineering assessments for engineering registration purposes, professional development, industry and pay information, pharmacy insurance and discount products and services.

Professionals Australia has organising and industrial teams throughout all states and territories, supported by functions including workplace advice and support, membership services, learning & careers development, engineering accreditation, communications and marketing, finance, IT & operations.

### **FINANCIAL RESULTS OF OPERATION**

#### **Group**

The Group's result for the year was a surplus after tax of \$2,052,998 (2025: \$1,444,775). Overall, the Group's revenue and other income increased by \$2,040,269 and expenditure increased by \$1,396,000. The Group has net assets of \$30,918,887; primarily cash, property, plant & equipment and financial assets. An overview of each operation is set out below.

#### **Chief Entity**

The financial performance during the year which again encompassed member and industrial services was underpinned by an increase in revenue and other income of \$18,261,837 from \$16,217,568.

The Chief Entity recorded a surplus after tax of \$2,060,582 (2025: \$1,418,636) for the year.

### **NUMBER OF MEMBERS**

As at 30 June 2026 the number of members was 22,549 (2025: 19,614)

### **NUMBER OF EMPLOYEES**

As at 30 June 2026 the number of employees was 70.4 (2025: 77)

### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

No significant changes in the Group's operations occurred during the financial year.

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS CONTROLLED ENTITIES**  
**RIGHTS OF MEMBERS TO RESIGN**

Members have the right to resign from the Association by forwarding a written statement to [membership@professionalsaustralia.org.au](mailto:membership@professionalsaustralia.org.au). Resignations are accepted on the date received or a date later if nominated. Rule 9 in the Association's Rules provides details of the right of members to resign.

**TRUSTEE OF SUPERANNUATION ENTITY**

No officer or member of the Reporting Unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such a position is that they are an officer or member of an organisation.

**EVENTS AFTER THE REPORTING DATE**

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has, or may, significantly affect the operations, the results of those operations, or the state of affairs of the Reporting Unit in subsequent financial periods.

**NATIONAL BOARD MEMBERS**

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

| Office Held                    | Name             | Dates                      |
|--------------------------------|------------------|----------------------------|
| National President             | Katie Havelberg  | 1 July 2025 – 30 June 2026 |
| National Senior Vice President | Andrew Wilkins   | 1 July 2025 – 30 June 2026 |
| National Secretary             | Matthew Silletto | 1 July 2025 – 30 June 2026 |
| National Treasurer             | Stuart Small     | 1 July 2025 – 30 June 2026 |
| National Vice President        | Bianca Piljic    | 1 July 2025 – 30 June 2026 |
| National Vice President        | Bruce Large      | 1 July 2025 – 30 June 2026 |
| National Vice President        | Shaun Williams   | 1 July 2025 – 30 June 2026 |

The Finance & Audit Risk sub-committee consists of Board members Stuart Small, Andrew Wilkins, Bruce Large and Matt Silletto (Chair), Non-Board member Rosemary Crowhurst.

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



K. Havelberg  
National President  
Dated: 22 September 2026  
West Melbourne, Victoria



S. Small  
National Treasurer

## **COMMITTEE OF MANAGEMENT STATEMENT**

for the year ended 30 June 2026

On 22 September 2026 the National Board (the Committee of Management) of APESMA presents the report of the Group (APESMA Group) consisting of the Association of Professional Engineers, Scientists & Managers, Australia trading as Professionals Australia and the entities it controlled, passed the following resolution in relation to the general-purpose financial report of the Association for the financial year ended 30 June 2026:

The National Board declares in relation to the general-purpose financial statements that in its opinion:

- a) the financial statements and notes comply with Australian Accounting Standards;
- b) the financial statements and notes comply with other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Reporting Unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the Reporting Unit will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the general-purpose financial statements relate and since the end of the year:
  - i) meetings of the committee of management were held in accordance with rules of the Association; 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 RO Act; and
  - iv) where the organisation consists of two or more reporting units, the financial records of the Reporting Unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - v) where information has been sought in any request by a member of the Reporting Unit or the General Manager duly made under Section 272 of the RO Act, that information has been provided to the member or the General Manager; and
  - vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of APESMA's National Board (Committee of Management):



K. Havelberg

National President

Dated: 22 September 2026

West Melbourne, Victoria



S. Small

National Treasurer

## INDEPENDENT AUDITOR'S REPORT

To the Members of The Association of Professional Engineers, Scientists and Managers, Australia

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of The Association of Professional Engineers, Scientists and Managers, Australia and its controlled entities ("the reporting unit" or "Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 30 June 2026, notes to the financial statements, including a summary of material accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the reporting unit as at 30 June 2026, and its financial performance and its cash flows for the year ended on that date in accordance with:

the Australian Accounting Standards; and

any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

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

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Information Other than the Financial Report and Auditor's Report Thereon

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Committee of Management for the Financial Report**

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our auditor's report.

We communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We declare that we are an auditor registered under the RO Act.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act. In relation to these matters, we have nothing to report.

A handwritten signature in blue ink that reads 'Rsm'.

**RSM AUSTRALIA PTY LTD**

A handwritten signature in blue ink, appearing to read 'Warwick Ja Spargo'.

**WARWICK JA SPARGO**

Partner

Melbourne, Victoria

Dated: 23 September 2026

Registration number (as registered under the RO Act): AA2024/10.

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS  
CONTROLLED ENTITIES**  
**Consolidated statement of comprehensive income**  
**For the year ended 30 June 2026**

|                                                                           | Note | Group<br>2026<br>\$ | 2025<br>\$          | Chief Entity<br>2026<br>\$ | 2025<br>\$          |
|---------------------------------------------------------------------------|------|---------------------|---------------------|----------------------------|---------------------|
| <b>Revenue from contracts with customers</b>                              |      |                     |                     |                            |                     |
| Membership subscriptions                                                  | 2    | 14,854,011          | 13,531,453          | 14,854,011                 | 13,527,538          |
| Other revenue                                                             | 2    | 570,945             | 643,159             | 570,945                    | 643,159             |
| Capitation fees and other revenue from another reporting unit             |      | -                   | -                   | -                          | -                   |
| Levies                                                                    |      | -                   | -                   | -                          | -                   |
| Revenue from recovery of wages activity                                   |      | -                   | -                   | -                          | -                   |
| <b>Total revenue from contracts with customers</b>                        |      | <u>15,424,956</u>   | <u>14,174,612</u>   | <u>15,424,956</u>          | <u>14,170,697</u>   |
| <b>Income for furthering objectives</b>                                   |      |                     |                     |                            |                     |
| Grants and/or donations                                                   | 2    | 1,831,748           | 125,810             | 1,831,748                  | 125,810             |
| Income recognised from volunteer services                                 |      | -                   | -                   | -                          | -                   |
| <b>Total income for furthering objectives</b>                             |      | <u>1,831,748</u>    | <u>125,810</u>      | <u>1,831,748</u>           | <u>125,810</u>      |
| Other income                                                              | 2    | 1,005,139           | 1,921,152           | 1,005,133                  | 1,921,061           |
| <b>Total revenue</b>                                                      |      | <u>18,261,843</u>   | <u>16,221,574</u>   | <u>18,261,837</u>          | <u>16,217,568</u>   |
| <b>Expenses</b>                                                           |      |                     |                     |                            |                     |
| Employee benefit expenses                                                 | 4    | (11,112,979)        | (10,461,333)        | (11,109,979)               | (10,461,333)        |
| Members' service and support                                              | 4    | (3,434,910)         | (2,644,096)         | (3,434,900)                | (2,638,751)         |
| Depreciation and amortisation expense                                     | 4    | (552,028)           | (724,984)           | (552,028)                  | (724,984)           |
| Affiliation fees                                                          | 4    | (266,544)           | (236,558)           | (266,544)                  | (236,558)           |
| Legal costs                                                               | 4    | (409,211)           | (414,465)           | (407,649)                  | (412,595)           |
| Conference and meeting expenses                                           |      | (172,359)           | (122,722)           | (172,359)                  | (122,722)           |
| Audit and accounting fees                                                 |      | (141,119)           | (142,383)           | (138,101)                  | (135,685)           |
| Grants or donations                                                       | 4    | (4,000)             | (4,000)             | (4,000)                    | (4,000)             |
| Borrowing costs                                                           |      | (115,695)           | (62,304)            | (115,695)                  | (62,304)            |
| Capitation fees and other expense to another reporting unit               |      | -                   | -                   | -                          | -                   |
| Administration expenses                                                   | 4    | -                   | -                   | -                          | -                   |
| <b>Total expenses</b>                                                     |      | <u>(16,208,845)</u> | <u>(14,812,845)</u> | <u>(16,201,255)</u>        | <u>(14,798,932)</u> |
| <b>Surplus before income tax benefit</b>                                  |      | 2,052,998           | 1,408,729           | 2,060,582                  | 1,418,636           |
| Income tax benefit                                                        |      | -                   | 36,046              | -                          | -                   |
| <b>Surplus after income tax benefit for the year</b>                      |      | 2,052,998           | 1,444,775           | 2,060,582                  | 1,418,636           |
| <b>Other comprehensive income</b>                                         |      |                     |                     |                            |                     |
| <i>Items that will not be reclassified subsequently to profit or loss</i> |      |                     |                     |                            |                     |
| Loss on the revaluation of land and buildings                             |      | (200,000)           | (1,051,721)         | (200,000)                  | (1,051,721)         |
| <b>Total comprehensive income for the year</b>                            |      | <u>1,852,998</u>    | <u>393,054</u>      | <u>1,860,582</u>           | <u>366,915</u>      |
| Total comprehensive income for the year is attributable to:               |      |                     |                     |                            |                     |
| Non-controlling interest                                                  |      | (1,896)             | 6,536               | -                          | -                   |
| Members of the Chief Entity                                               |      | 1,854,894           | 386,518             | 1,860,582                  | 366,915             |
| <b>Total comprehensive income for the year</b>                            |      | <u>1,852,998</u>    | <u>393,054</u>      | <u>1,860,582</u>           | <u>366,915</u>      |

*The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes*

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS  
CONTROLLED ENTITIES**  
**Consolidated statement of financial position**  
**As at 30 June 2026**

|                                                | Note | Group<br>2026<br>\$ | Group<br>2025<br>\$ | Chief Entity<br>2026<br>\$ | Chief Entity<br>2025<br>\$ |
|------------------------------------------------|------|---------------------|---------------------|----------------------------|----------------------------|
| <b>Assets</b>                                  |      |                     |                     |                            |                            |
| <b>Current assets</b>                          |      |                     |                     |                            |                            |
| Cash and cash equivalents                      | 5    | 13,666,562          | 8,647,825           | 13,624,132                 | 8,590,176                  |
| Trade and other receivables                    | 6    | 154,496             | 270,920             | 194,401                    | 366,853                    |
| Financial assets                               | 7    | 12,488,187          | 15,182,317          | 12,488,187                 | 15,182,317                 |
| Non-current assets classified as held for sale | 8    | 4,882,706           | 5,082,707           | 4,882,706                  | 5,082,707                  |
| Other current assets                           | 9    | 420,300             | 610,964             | 420,300                    | 610,964                    |
| <b>Total current assets</b>                    |      | <b>31,612,251</b>   | <b>29,794,733</b>   | <b>31,609,726</b>          | <b>29,833,017</b>          |
| <b>Non-current assets</b>                      |      |                     |                     |                            |                            |
| Other financial assets                         | 10   | -                   | -                   | 21                         | 21                         |
| Property, plant and equipment                  | 11   | 5,609,081           | 5,670,080           | 5,609,081                  | 5,670,080                  |
| Right-of-use assets                            | 12   | 878,872             | 1,185,474           | 878,872                    | 1,185,474                  |
| Intangibles                                    | 13   | 63,798              | 16,302              | 63,798                     | 16,302                     |
| <b>Total non-current assets</b>                |      | <b>6,551,751</b>    | <b>6,871,856</b>    | <b>6,551,772</b>           | <b>6,871,877</b>           |
| <b>Total assets</b>                            |      | <b>38,164,002</b>   | <b>36,666,589</b>   | <b>38,161,498</b>          | <b>36,704,894</b>          |
| <b>Liabilities</b>                             |      |                     |                     |                            |                            |
| <b>Current liabilities</b>                     |      |                     |                     |                            |                            |
| Trade payables                                 | 14   | 4,367,381           | 4,280,303           | 5,062,574                  | 5,023,889                  |
| Other payables                                 | 17   | -                   | -                   | -                          | -                          |
| Other financial liability                      | 15   | 328,485             | 314,517             | 328,485                    | 314,517                    |
| Lease liabilities                              | 12   | 326,660             | 349,254             | 326,660                    | 349,254                    |
| Employee provisions                            | 16   | 1,408,776           | 1,571,164           | 1,408,776                  | 1,571,164                  |
| <b>Total current liabilities</b>               |      | <b>6,431,302</b>    | <b>6,515,238</b>    | <b>7,126,495</b>           | <b>7,258,824</b>           |
| <b>Non-current liabilities</b>                 |      |                     |                     |                            |                            |
| Lease liabilities                              | 12   | 702,980             | 985,316             | 702,980                    | 985,316                    |
| Employee provisions                            | 16   | 110,833             | 100,146             | 110,833                    | 100,146                    |
| <b>Total non-current liabilities</b>           |      | <b>813,813</b>      | <b>1,085,462</b>    | <b>813,813</b>             | <b>1,085,462</b>           |
| <b>Total liabilities</b>                       |      | <b>7,245,115</b>    | <b>7,600,700</b>    | <b>7,940,308</b>           | <b>8,344,286</b>           |
| <b>Net assets</b>                              |      | <b>30,918,887</b>   | <b>29,065,889</b>   | <b>30,221,190</b>          | <b>28,360,608</b>          |
| <b>Members funds &amp; reserves</b>            |      |                     |                     |                            |                            |
| Attributable to members of the chief entity    |      |                     |                     |                            |                            |
| Organisation funds                             |      | 10,479,728          | 8,877,736           | 9,759,741                  | 8,152,061                  |
| Reserves                                       | 18   | 20,461,449          | 20,208,547          | 20,461,449                 | 20,208,547                 |
|                                                |      | <u>30,941,177</u>   | <u>29,086,283</u>   | <u>30,221,190</u>          | <u>28,360,608</u>          |
| Non-controlling interest                       | 20   | (22,290)            | (20,394)            | -                          | -                          |
| <b>Total members funds &amp; reserves</b>      |      | <b>30,918,887</b>   | <b>29,065,889</b>   | <b>30,221,190</b>          | <b>28,360,608</b>          |

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes*

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS  
CONTROLLED ENTITIES**  
**Consolidated statement of changes in equity**  
**For the year ended 30 June 2026**

| <b>Group Entity</b>                                     | <b>Organisation<br/>funds<br/>\$</b> | <b>Reserves<br/>\$</b> | <b>Non-<br/>controlling<br/>interest<br/>\$</b> | <b>Total<br/>members<br/>funds &amp;<br/>reserves<br/>\$</b> |
|---------------------------------------------------------|--------------------------------------|------------------------|-------------------------------------------------|--------------------------------------------------------------|
| Balance at 1 July 2024                                  | 8,210,666                            | 20,489,099             | (26,930)                                        | 28,672,835                                                   |
| Surplus after income tax benefit for the year           | 1,438,239                            | -                      | 6,536                                           | 1,444,775                                                    |
| Other comprehensive income for the year, net of tax     |                                      |                        |                                                 |                                                              |
| Revaluation of building                                 | -                                    | (1,051,721)            | -                                               | (1,051,721)                                                  |
| Total comprehensive income/(loss) for the year          | 1,438,239                            | (1,051,721)            | 6,536                                           | 393,054                                                      |
| Transfer from Property Revaluation Reserve              | 356,691                              | (356,691)              | -                                               | -                                                            |
| Transfer to Legal Defence Fund (CSD)                    | (814,756)                            | 814,756                | -                                               | -                                                            |
| Transfer to CSD MAF                                     | (310,746)                            | 310,746                | -                                               | -                                                            |
| Transfer to Civil Aviation Safety Authority             | (2,358)                              | 2,358                  | -                                               | -                                                            |
| Balance at 30 June 2025                                 | <u>8,877,736</u>                     | <u>20,208,547</u>      | <u>(20,394)</u>                                 | <u>29,065,889</u>                                            |
| <b>Group Entity</b>                                     | <b>Organisation<br/>funds<br/>\$</b> | <b>Reserves<br/>\$</b> | <b>Non-<br/>controlling<br/>interest<br/>\$</b> | <b>Total<br/>members<br/>funds &amp;<br/>reserves<br/>\$</b> |
| Balance at 1 July 2025                                  | 8,877,736                            | 20,208,547             | (20,394)                                        | 29,065,889                                                   |
| Surplus/(deficit) after income tax expense for the year | 2,054,894                            | -                      | (1,896)                                         | 2,052,998                                                    |
| Other comprehensive income for the year, net of tax     |                                      |                        |                                                 |                                                              |
| Revaluation of building                                 | -                                    | (200,000)              | -                                               | (200,000)                                                    |
| Total comprehensive income/(loss) for the year          | 2,054,894                            | (200,000)              | (1,896)                                         | 1,852,998                                                    |
| Transfer to Legal Defence Fund (CSD)                    | (263,075)                            | 263,075                | -                                               | -                                                            |
| Transfer to CSD MAF                                     | (250,886)                            | 250,886                | -                                               | -                                                            |
| Transfer from Civil Aviation Safety Authority           | 61,059                               | (61,059)               | -                                               | -                                                            |
| Balance at 30 June 2026                                 | <u>10,479,728</u>                    | <u>20,461,449</u>      | <u>(22,290)</u>                                 | <u>30,918,887</u>                                            |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS  
CONTROLLED ENTITIES**  
**Consolidated statement of changes in equity**  
**For the year ended 30 June 2026**

|                                                     | <b>Organisation<br/>funds<br/>\$</b> | <b>Reserves<br/>\$</b> | <b>Total<br/>members<br/>funds &amp;<br/>reserves<br/>\$</b> |
|-----------------------------------------------------|--------------------------------------|------------------------|--------------------------------------------------------------|
| <b>Chief Entity</b>                                 |                                      |                        |                                                              |
| Balance at 1 July 2024                              | 7,504,594                            | 20,489,099             | 27,993,693                                                   |
| Surplus after income tax benefit for the year       | 1,418,636                            | -                      | 1,418,636                                                    |
| Other comprehensive income for the year, net of tax |                                      |                        |                                                              |
| Revaluation of building                             | -                                    | (1,051,721)            | (1,051,721)                                                  |
| Total comprehensive income/(loss) for the year      | 1,418,636                            | (1,051,721)            | 366,915                                                      |
| Transfer from Property Revaluation Reserve          | 356,691                              | (356,691)              | -                                                            |
| Transfer to Legal Defence Fund (CSD)                | (814,756)                            | 814,756                | -                                                            |
| Transfer to CSD MAF                                 | (310,746)                            | 310,746                | -                                                            |
| Transfer to Civil Aviation Safety Authority         | (2,358)                              | 2,358                  | -                                                            |
| Balance at 30 June 2025                             | <u>8,152,061</u>                     | <u>20,208,547</u>      | <u>28,360,608</u>                                            |
|                                                     |                                      |                        |                                                              |
|                                                     | <b>Organisation<br/>funds<br/>\$</b> | <b>Reserves<br/>\$</b> | <b>Total<br/>members<br/>funds &amp;<br/>reserves<br/>\$</b> |
| <b>Chief Entity</b>                                 |                                      |                        |                                                              |
| Balance at 1 July 2025                              | 8,152,061                            | 20,208,547             | 28,360,608                                                   |
| Surplus after income tax expense for the year       | 2,060,582                            | -                      | 2,060,582                                                    |
| Other comprehensive income for the year, net of tax |                                      |                        |                                                              |
| Revaluation of building                             | -                                    | (200,000)              | (200,000)                                                    |
| Total comprehensive income/(loss) for the year      | 2,060,582                            | (200,000)              | 1,860,582                                                    |
| Transfer to Legal Defence Fund (CSD)                | (263,075)                            | 263,075                | -                                                            |
| Transfer to CSD MAF                                 | (250,886)                            | 250,886                | -                                                            |
| Transfer from Civil Aviation Safety Authority       | 61,059                               | (61,059)               | -                                                            |
| Balance at 30 June 2026                             | <u>9,759,741</u>                     | <u>20,461,449</u>      | <u>30,221,190</u>                                            |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS  
CONTROLLED ENTITIES**  
**Consolidated statement of cash flows**  
**For the year ended 30 June 2026**

|                                                                  | Note  | Group<br>2026<br>\$ | Group<br>2025<br>\$ | Chief Entity<br>2026<br>\$ | Chief Entity<br>2025<br>\$ |
|------------------------------------------------------------------|-------|---------------------|---------------------|----------------------------|----------------------------|
| <b>Cash flows from operating activities</b>                      |       |                     |                     |                            |                            |
| Receipts from customers (inclusive of GST)                       |       | 16,028,591          | 14,630,937          | 15,780,653                 | 14,628,429                 |
| Receipts from other reporting unit / controlled entity           | 19    | 753,840             | 673,885             | 753,840                    | 673,885                    |
| Payments to suppliers                                            |       | (4,278,478)         | (4,791,568)         | (4,526,947)                | (4,776,394)                |
| Payments to employees                                            |       | (11,261,680)        | (10,565,773)        | (11,054,024)               | (10,565,773)               |
|                                                                  |       | 1,242,273           | (52,519)            | 953,522                    | (39,853)                   |
| Dividends received                                               |       | 170,727             | 480,517             | 170,727                    | 480,517                    |
| Interest received                                                |       | 68,276              | 314,868             | 68,276                     | 314,868                    |
| Interest and other finance costs paid                            |       | (115,695)           | (62,304)            | (115,695)                  | (62,304)                   |
| Donations and grants received                                    |       | 1,527,779           | 808,187             | 1,831,748                  | 808,187                    |
| Receipts from licence fee                                        |       | 562,500             | 625,000             | 562,500                    | 625,000                    |
| Payment to other reporting unit / controlled entity              | 19    | (968,022)           | (889,959)           | (968,022)                  | (889,959)                  |
| Income taxes refunded                                            |       | -                   | 36,046              | -                          | 2,476                      |
| Net cash from operating activities                               | 19    | 2,487,838           | 1,259,836           | 2,503,056                  | 1,238,932                  |
| <b>Cash flows from investing activities</b>                      |       |                     |                     |                            |                            |
| Purchase of fixed assets and intangible assets                   | 13,11 | (207,441)           | (532,285)           | (207,441)                  | (532,285)                  |
| Payment for purchase of financial asset                          |       | (735,247)           | (352,081)           | (735,247)                  | (352,081)                  |
| Proceeds from disposal of investment                             |       | 3,780,587           | 3,529,027           | 3,780,587                  | 3,529,027                  |
| Proceeds from disposal of property, plant and equipment          |       | -                   | 370,174             | -                          | 370,174                    |
| Rental income                                                    |       | 8,445               | 18,159              | 8,445                      | 18,159                     |
| Net cash from investing activities                               |       | 2,846,344           | 3,032,994           | 2,846,344                  | 3,032,994                  |
| <b>Cash flows from financing activities</b>                      |       |                     |                     |                            |                            |
| Repayment of lease liabilities                                   |       | (329,413)           | (168,391)           | (329,412)                  | (168,391)                  |
| Net cash used in financing activities                            |       | (329,413)           | (168,391)           | (329,412)                  | (168,391)                  |
| Net increase in cash and cash equivalents                        |       | 5,004,769           | 4,124,439           | 5,019,988                  | 4,103,535                  |
| Cash and cash equivalents at the beginning of the financial year |       | 8,333,308           | 4,208,869           | 8,275,659                  | 4,172,124                  |
| Cash and cash equivalents at the end of the financial year       | 5     | 13,338,077          | 8,333,308           | 13,295,647                 | 8,275,659                  |

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS  
CONTROLLED ENTITIES**  
**Notes to the consolidated financial statements**  
**30 June 2026**

**Note 1. Material accounting policy information**

**New or amended Accounting Standards and Interpretations adopted**

The Reporting Unit has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**1.1 Basis of preparation**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009* (RO Act). For the purpose of preparing the general purpose financial statements, the Reporting Unit is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis except for certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars.

**1.2 Going concern**

The financial statements are prepared on the basis that the Group and the Chief Entity will continue as a going concern and that assets including property plant and equipment, and liabilities would be realised in the normal course of business at their recorded values as at 30 June 2026.

The Group and the Chief Entity are not reliant on any financial support of another reporting unit to continue on a going concern basis. The Group and the Chief Entity did not provide any financial support to another reporting unit to ensure they continue as a going concern.

**1.3 Comparative amounts**

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

**1.4 New Australian Accounting Standards**

**Adoption of New Australian Accounting Standards and amendments**

The accounting policies adopted are consistent with those of the previous financial year except for the following amendments to accounting standards and other changes in accounting policy, which have been adopted for the first time this financial year:

- AASB 2026-1 Amendments to Australian Accounting Standards - Disclosures about Uncertainties in the Financial Statements

The adoption of the accounting policy did not have a material impact on the Reporting Unit.

No accounting standard has been adopted earlier than the application date stated in the standard.

**Future Australian Accounting Standards**

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected not to have a material impact on the Reporting Unit.

**1.5 Principles of consolidation**

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

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**Notes to the consolidated financial statements**  
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**Note 1. Material accounting policy information (continued)**

Intercompany transactions, balances and unrealised gains on transactions between entities in the Reporting Unit are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Reporting Unit.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the members of Chief Entity and the non-controlling interests based on their respective ownership interests.

**1.6 Revenue and other income**

APESMA enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, license fees, rental income, and grants.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

*Revenue from contracts with customers*

Where APESMA has a contract with a customer, APESMA recognises revenue when or as it transfers control of goods or services to the customer. APESMA accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

*Member Services*

The commission revenue and corporate program fees from member services, received by the subsidiary Member Advantage, are recognised over time, in line with the relevant performance obligation, being the provision of the service to members on a periodical basis (monthly or quarterly).

In line with AASB 15, this revenue is recorded net of commission expenses as Member Advantage meets the definition of Agent. As such revenue received from commission on loyalty programs will be recognised as the net amount of consideration that the entity retains after paying the other party the consideration received in exchange for the services provided.

*Membership Subscriptions*

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Reporting Unit.

If there is only one distinct membership service promised in the arrangement, the Reporting Unit recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Reporting Unit's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Reporting Unit allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Reporting Unit charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the goods or as the service transfers to the customer (for example, member services or training course), the Reporting Unit recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Reporting Unit has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

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**Note 1. Material accounting policy information (continued)**

When a member subsequently purchases additional goods or services from the Reporting Unit at their standalone selling price, the Reporting Unit accounts for those sales as a separate contract with a customer.

*Interest*

Interest revenue is recognised on an accrual basis using the effective interest method.

*Rental income*

Leases in which the Reporting Unit as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

*Gains from sale of assets*

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

**Income of Reporting Unit as a Not-for-Profit Entity**

Consideration is received by the Reporting Unit to enable the entity to further its objectives. The Reporting Unit recognises each of these amounts of consideration as income when the consideration is received (which is when the Reporting Unit obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Reporting Unit recognition of the cash contribution does not give rise to any related liabilities.

The Reporting Unit receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants.

**1.7 Taxation**

The APESMA is exempt from income tax under Section 50.1 of the *Income Tax Assessment Act 1997*, however, still has an obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenue, expenses and assets are recognised net of GST except:

- Where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO); and
- For receivables and payables.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.

**1.8 Current versus non-current classification**

In accordance with AASB 101, APESMA presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

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**Note 1. Material accounting policy information (continued)**

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is expected to be settled in the normal operating cycle;
- It is due to be settled within twelve months after the reporting period; or
- There is no right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

APESMA classified all other liabilities as non-current.

**1.9 Cash and cash equivalents**

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**1.10 Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

**1.11 Financial instruments**

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- APESMA has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) APESMA has transferred substantially all the risks and rewards of the asset; or
  - (b) APESMA has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When APESMA has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

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**Note 1. Material accounting policy information (continued)**

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, APESMA continues to recognise the transferred asset to the extent of its continuing involvement together with the associated liability.

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

*Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the Reporting Unit intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

**1.12 Land, buildings, plant and equipment**

*Asset recognition threshold*

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

*Land and buildings*

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

*Depreciation*

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

|                                  | <b>2026</b>    | <b>2025</b>    |
|----------------------------------|----------------|----------------|
| Land & buildings                 | 40 years       | 40 years       |
| Furniture, fixtures and fittings | 7.5 years      | 7.5 years      |
| Office equipment                 | 3 to 7.5 years | 3 to 7.5 years |
| Computer equipment               | 3 years        | 3 years        |
| Motor vehicles                   | 8 years        |                |

*Derecognition*

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

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**Note 1. Material accounting policy information (continued)**

**1.13 Leases**

APESMA assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

*Reporting Unit as a lessee*

APESMA applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. APESMA recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Reporting Unit recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the asset, as follows:

|                     | <b>2026</b>  | <b>2025</b>  |
|---------------------|--------------|--------------|
| Land & buildings    | 4 to 5 years | 4 to 5 years |
| Plant and equipment | 3 to 6 years | 3 to 6 years |

If ownership of the leased asset transfers to the Reporting Unit at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

*Lease liabilities*

At the commencement date of the lease, the Reporting Unit recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Reporting Unit and payments of penalties for terminating the lease, if the lease term reflects the Reporting Unit exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Reporting Unit uses the incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 4.13%.

The Reporting Unit has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

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**Note 1. Material accounting policy information (continued)**

**1.14 Intangible assets**

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The useful life of APESMA's intangible assets are:

|                   | <b>2026</b> | <b>2025</b> |
|-------------------|-------------|-------------|
| Computer software | 3 years     | 3 years     |

*Derecognition*

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

*Borrowing costs*

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

**1.15 Impairment of non-financial assets**

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment made if the asset's recoverable amount is less than the carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Reporting Unit was deprived of the asset, its recoverable amount is its fair value.

In other cases, for the purposes of determining recoverable amount, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**1.16 Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before APESMA transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when APESMA performs under the contract (i.e. transfers control of the related goods or services to the customer).

**1.17 Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**1.18 Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**1.19 Provisions**

Provisions are recognised when the economic 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.

Provisions are measured at the present value of Management's best estimate of the outflow required to settle the obligation at the end of the reporting period.

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**Note 1. Material accounting policy information (continued)**

**1.20 Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits in the circumstances set up below.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Reporting Unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**1.21 Fair value measurement**

APESMA measures financial instruments, such as financial assets at fair value through profit or loss, and non-financial assets such as land and buildings, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in note 24 Financial risk management.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by APESMA. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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**Note 1. Material accounting policy information (continued)**

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

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

**1.22 Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

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

**1.23 Contingent liabilities and contingent assets**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

**1.24 Significant accounting judgements and estimates**

When preparing the financial statements management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about significant judgements, estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

*Useful lives of depreciable assets*

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company. Actual results, however, may vary due to technical obsolescence, particularly relating to software and IT equipment.

*Fair value of financial instruments*

The fair values of financial instruments are determined using quoted market prices where available. Where quoted market prices are available, the fair value measurement is based on observable market data and does not require significant management judgement or estimation.

*Fair value measurement of land and buildings*

The revalued land and buildings consist of a property located at 152-160 Miller Street West Melbourne Victoria. Management determined that this constitutes one class of asset under AASB 13 *Fair Value Measurement*, based on the nature, characteristics and risks of the property.

Fair value of the properties was determined using the capitalisation of net income method and the direct comparison method. Under the direct comparison method, the valuation is based on observable market transactions for comparable properties, adjusted for the difference in the nature, location or condition of the property. As at the date of revaluation 30 June 2025, the property's fair value is based on valuation performed by R Macdougall, an accredited independent valuer.

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**Note 1. Material accounting policy information (continued)**

*Provisions – Long service leave*

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

**1.25 Acquisition of assets and or liabilities that do not constitute a business combination**

The Reporting Unit did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

**Note 2. Revenue and income**

|                                         | <b>Group</b>      |                   | <b>Chief Entity</b> |                   |
|-----------------------------------------|-------------------|-------------------|---------------------|-------------------|
|                                         | <b>2026</b>       | <b>2025</b>       | <b>2026</b>         | <b>2025</b>       |
|                                         | <b>\$</b>         | <b>\$</b>         | <b>\$</b>           | <b>\$</b>         |
| Membership subscriptions                | 14,854,011        | 13,531,453        | 14,854,011          | 13,527,538        |
| License fees                            | 562,500           | 625,000           | 562,500             | 625,000           |
| Rental income                           | 8,445             | 18,159            | 8,445               | 18,159            |
| <b>Total other revenue</b>              | <b>570,945</b>    | <b>643,159</b>    | <b>570,945</b>      | <b>643,159</b>    |
| Interest                                | 68,276            | 314,868           | 68,270              | 314,868           |
| Trust distributions                     | 170,727           | 480,517           | 170,727             | 480,517           |
| Increment in market value of investment | 351,210           | 1,006,394         | 351,210             | 1,006,394         |
| Other income                            | 414,926           | 119,373           | 414,926             | 119,282           |
| <b>Total other income</b>               | <b>1,005,139</b>  | <b>1,921,152</b>  | <b>1,005,133</b>    | <b>1,921,061</b>  |
| <b>Total revenue</b>                    | <b>16,430,095</b> | <b>16,095,764</b> | <b>16,430,089</b>   | <b>16,091,758</b> |

**Disaggregation of revenue from contracts with customers**

A disaggregation of APESMA'S revenue by type of arrangement is provided on the face of the Consolidated Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

**Type of customer**

|                                                    |                   |                   |                   |                   |
|----------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Members - over time                                | 14,100,171        | 12,857,568        | 14,100,171        | 12,853,653        |
| Other reporting units                              | 753,840           | 673,885           | 753,840           | 673,885           |
| Other parties - over time                          | 562,500           | 625,000           | 562,500           | 625,000           |
| <b>Total revenue from contracts with customers</b> | <b>15,416,511</b> | <b>14,156,453</b> | <b>15,416,511</b> | <b>14,152,538</b> |

**Disaggregation of income for furthering activities**

A disaggregation of APESMA's revenue by type of arrangement is provided on the face of the Consolidated Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

**Income funding sources**

|                                               |          |          |          |          |
|-----------------------------------------------|----------|----------|----------|----------|
| Members                                       | -        | -        | -        | -        |
| Other reporting units                         | -        | -        | -        | -        |
| Government                                    | -        | -        | -        | -        |
| Other parties                                 | -        | -        | -        | -        |
| <b>Total income for furthering activities</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

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**Note 2. Revenue and income (continued)**

**Grants and/or donations**

|                                   |                  |                |                  |                |
|-----------------------------------|------------------|----------------|------------------|----------------|
| Grants                            | 1,831,748        | 125,810        | 1,831,748        | 125,810        |
| Donations                         | -                | -              | -                | -              |
| <b>Total grants and donations</b> | <b>1,831,748</b> | <b>125,810</b> | <b>1,831,748</b> | <b>125,810</b> |

**Note 3. Events after the reporting period**

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations, the results of those operations, or the state of affairs of the Reporting Unit in subsequent financial periods.

**Note 4. Expenses**

|                                                                          | <b>Group</b>   |                | <b>Chief Entity</b> |                |
|--------------------------------------------------------------------------|----------------|----------------|---------------------|----------------|
|                                                                          | <b>2026</b>    | <b>2025</b>    | <b>2026</b>         | <b>2025</b>    |
|                                                                          | <b>\$</b>      | <b>\$</b>      | <b>\$</b>           | <b>\$</b>      |
| Surplus before income tax includes the following specific expenses:      |                |                |                     |                |
| <i>Legal costs</i>                                                       |                |                |                     |                |
| Litigation                                                               | 179,141        | 244,497        | 179,141             | 244,497        |
| Other legal costs                                                        | 230,070        | 169,968        | 228,508             | 168,098        |
| <b>Total legal costs</b>                                                 | <b>409,211</b> | <b>414,465</b> | <b>407,649</b>      | <b>412,595</b> |
| Capitation fees and other expense to another reporting unit              | -              | -              | -                   | -              |
| <b>Total capitation fees and other expense to another reporting unit</b> | <b>-</b>       | <b>-</b>       | <b>-</b>            | <b>-</b>       |
| <i>Affiliation fees</i>                                                  |                |                |                     |                |
| SA Unions                                                                | 9,058          | 8,799          | 9,058               | 8,799          |
| Newcastle Trades Hall Council                                            | 2,290          | 1,193          | 2,290               | 1,193          |
| Unions WA WA's Peak Union Body                                           | 6,471          | 6,290          | 6,471               | 6,290          |
| ACTU                                                                     | 111,123        | 111,494        | 111,123             | 111,494        |
| Unions ACT                                                               | 5,349          | 5,140          | 5,349               | 5,140          |
| Unions NSW                                                               | 32,056         | 27,230         | 32,056              | 27,230         |
| QLD Council of Unions                                                    | 36,756         | 27,106         | 36,756              | 27,106         |
| Victorian Trades Hall Council                                            | 46,829         | 44,095         | 46,829              | 44,095         |
| Union Aid Abroad - APHEDA                                                | 2,864          | 2,506          | 2,864               | 2,506          |
| Unions Tasmania                                                          | 2,658          | 2,678          | 2,658               | 2,678          |
| South Coast Labor Council                                                | 115            | 27             | 116                 | 27             |
| UNI Global Union                                                         | 10,474         | -              | 10,474              | -              |
| SA May Day Collective                                                    | 500            | -              | 500                 | -              |
| <b>Total affiliation fees</b>                                            | <b>266,543</b> | <b>236,558</b> | <b>266,544</b>      | <b>236,558</b> |

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**Note 4. Expenses (continued)**

*Employee benefit expenses*

*Holders of office:*

|                                                      |   |   |   |   |
|------------------------------------------------------|---|---|---|---|
| Wages and salaries                                   | - | - | - | - |
| Annual leave                                         | - | - | - | - |
| Long service leave                                   | - | - | - | - |
| Separation and redundancies                          | - | - | - | - |
| Superannuation                                       | - | - | - | - |
| Other employee expenses                              | - | - | - | - |
| Subtotal employee benefit expenses holders of office | - | - | - | - |

*Employees other than office holders:*

|                                                                        |            |            |            |            |
|------------------------------------------------------------------------|------------|------------|------------|------------|
| Wages and salaries                                                     | 9,573,411  | 9,096,873  | 9,570,411  | 9,096,873  |
| Annual leave                                                           | 5,701      | (108,179)  | 5,701      | (108,179)  |
| Long service leave                                                     | (61,399)   | (127,343)  | (61,399)   | (127,343)  |
| Separation and redundancies                                            | -          | 78,434     | -          | 78,434     |
| Superannuation                                                         | 1,032,116  | 942,183    | 1,032,116  | 942,183    |
| Other employee expenses                                                | 563,150    | 579,365    | 563,150    | 579,365    |
| Subtotal employee benefit expenses employees other than office holders | 11,112,979 | 10,461,333 | 11,109,979 | 10,461,333 |
| Total employee benefit expenses                                        | 11,112,979 | 10,461,333 | 11,109,979 | 10,461,333 |

|                                          | <b>Group</b> |             | <b>Chief Entity</b> |             |
|------------------------------------------|--------------|-------------|---------------------|-------------|
|                                          | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                                          | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| <i>Grants or donations</i>               |              |             |                     |             |
| Grants:                                  |              |             |                     |             |
| Total expensed that were \$1,000 or less | -            | -           | -                   | -           |
| Total expensed that exceed \$1,000       | -            | -           | -                   | -           |
| Total grants                             | -            | -           | -                   | -           |
| Donations:                               |              |             |                     |             |
| Total expensed that were \$1,000 or less | -            | -           | -                   | -           |
| Total expensed that exceed \$1,000       | 4,000        | 4,000       | 4,000               | 4,000       |
| Total donations                          | 4,000        | 4,000       | 4,000               | 4,000       |
| Total grants and/or donations            | 4,000        | 4,000       | 4,000               | 4,000       |

*Depreciation and amortisation*

|                                          |         |         |         |         |
|------------------------------------------|---------|---------|---------|---------|
| Depreciation                             |         |         |         |         |
| Buildings                                | 42,923  | 89,522  | 42,923  | 89,522  |
| Office fittings, furniture and equipment | 159,164 | 47,997  | 159,164 | 47,997  |
| Right-of-use                             | 326,116 | 324,748 | 326,116 | 324,748 |
| Motor vehicles                           | 5,317   | -       | 5,317   | -       |
| Total depreciation                       | 533,520 | 462,267 | 533,520 | 462,267 |
| Amortisation                             |         |         |         |         |
| Intangibles                              | 18,508  | 11,500  | 18,508  | 11,500  |
| Total amortisation                       | 18,508  | 11,500  | 18,508  | 11,500  |
| Total depreciation and amortisation      | 552,028 | 473,767 | 552,028 | 473,767 |

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**Note 4. Expenses (continued)**

*Members' service and support*

|                                          |         |           |         |           |
|------------------------------------------|---------|-----------|---------|-----------|
| Management expense                       | 989,787 | 114,654   | 989,787 | 114,654   |
| Office administration and other expenses | 877,236 | 1,047,932 | 877,236 | 1,047,932 |
| IT expenses                              | 539,790 | 509,939   | 539,790 | 509,939   |
| Travel expenses                          | 335,107 | 420,602   | 335,107 | 420,602   |
| Insurance                                | 242,792 | 10,528    | 242,792 | 10,528    |
| Property expenses                        | 173,440 | 215,045   | 173,440 | 215,045   |
| Marketing expenses                       | 88,457  | 140,861   | 88,457  | 140,861   |
| Other members' service and support       | 188,301 | 184,535   | 188,291 | 179,190   |

|                                    |                  |                  |                  |                  |
|------------------------------------|------------------|------------------|------------------|------------------|
| Total members' service and support | <u>3,434,910</u> | <u>2,644,096</u> | <u>3,434,900</u> | <u>2,638,751</u> |
|------------------------------------|------------------|------------------|------------------|------------------|

*Administration expenses*

Total paid to employers for payroll deductions of membership subscriptions

|                                           |   |   |   |   |
|-------------------------------------------|---|---|---|---|
| Compulsory levies                         | - | - | - | - |
| Fees/allowances - meeting and conferences | - | - | - | - |
| Conference and meeting expenses           | - | - | - | - |

|                               |          |          |          |          |
|-------------------------------|----------|----------|----------|----------|
| Total administration expenses | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
|-------------------------------|----------|----------|----------|----------|

**Note 5. Cash and cash equivalents**

|                       | <b>Group</b>      |                  | <b>Chief Entity</b> |                  |
|-----------------------|-------------------|------------------|---------------------|------------------|
|                       | <b>2026</b>       | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
|                       | <b>\$</b>         | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| <i>Current assets</i> |                   |                  |                     |                  |
| Cash at bank          | 13,665,105        | 8,645,697        | 13,622,675          | 8,588,048        |
| Cash on hand          | 1,457             | 2,128            | 1,457               | 2,128            |
|                       | <u>13,666,562</u> | <u>8,647,825</u> | <u>13,624,132</u>   | <u>8,590,176</u> |

*Reconciliation to cash and cash equivalents at the end of the financial year*

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

|                                        |                   |                  |                   |                  |
|----------------------------------------|-------------------|------------------|-------------------|------------------|
| Balances as above                      | 13,666,562        | 8,647,825        | 13,624,132        | 8,590,176        |
| Bank overdraft (note 15)               | (328,485)         | (314,517)        | (328,485)         | (314,517)        |
| Balance as per statement of cash flows | <u>13,338,077</u> | <u>8,333,308</u> | <u>13,295,647</u> | <u>8,275,659</u> |

Please refer to note 24 for details on restrictions on cash and cash equivalents.

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**Note 6. Trade and other receivables**

|                                            | <b>Group</b>   |                | <b>Chief Entity</b> |                |
|--------------------------------------------|----------------|----------------|---------------------|----------------|
|                                            | <b>2026</b>    | <b>2025</b>    | <b>2026</b>         | <b>2025</b>    |
|                                            | <b>\$</b>      | <b>\$</b>      | <b>\$</b>           | <b>\$</b>      |
| <i>Current assets</i>                      |                |                |                     |                |
| Sundry receivables                         | 106,777        | 266,624        | 146,682             | 362,557        |
| Amounts owed by related parties            | -              | -              | -                   | -              |
| Receivables from other reporting units     | 47,719         | 4,296          | 47,719              | 4,296          |
| Less: Allowance for expected credit losses | -              | -              | -                   | -              |
|                                            | <u>154,496</u> | <u>270,920</u> | <u>194,401</u>      | <u>366,853</u> |

**Net fair values**

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

**Significant terms and conditions**

Sundry receivables are normally required to be settled within 30 days.

**Credit risk**

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

**Note 7. Financial assets**

|                                 | <b>Group</b>      |                   | <b>Chief Entity</b> |                   |
|---------------------------------|-------------------|-------------------|---------------------|-------------------|
|                                 | <b>2026</b>       | <b>2025</b>       | <b>2026</b>         | <b>2025</b>       |
|                                 | <b>\$</b>         | <b>\$</b>         | <b>\$</b>           | <b>\$</b>         |
| <i>Current assets</i>           |                   |                   |                     |                   |
| Term deposits                   | 17,242            | 3,797,829         | 17,242              | 3,797,829         |
| Vanguard index funds-unit trust | 6,720,722         | 6,317,961         | 6,720,722           | 6,317,961         |
| Short term investments          | 5,750,223         | 5,066,527         | 5,750,223           | 5,066,527         |
|                                 | <u>12,488,187</u> | <u>15,182,317</u> | <u>12,488,187</u>   | <u>15,182,317</u> |

**Note 8. Non-current assets classified as held for sale**

|                       | <b>Group</b>     |                  | <b>Chief Entity</b> |                  |
|-----------------------|------------------|------------------|---------------------|------------------|
|                       | <b>2026</b>      | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
|                       | <b>\$</b>        | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| <i>Current assets</i> |                  |                  |                     |                  |
| Land and buildings    | <u>4,882,706</u> | <u>5,082,707</u> | <u>4,882,706</u>    | <u>5,082,707</u> |

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**Note 8. Non-current assets classified as held for sale (continued)**

*Reconciliation*

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

| <b>Group Entity</b>                         | Land and buildings      |
|---------------------------------------------|-------------------------|
| Balance at 1 July 2024                      | 6,115,884               |
| Transfer from property, plant and equipment | 638,371                 |
| Depreciation expense                        | (262,717)               |
| Revaluation adjustment                      | <u>(1,049,583)</u>      |
| Balance at 30 June 2025                     | 5,082,706               |
| Revaluation adjustment                      | <u>(200,000)</u>        |
| Balance at 30 June 2026                     | <u><u>4,882,706</u></u> |

| <b>Chief Entity</b>                         | Land and buildings      |
|---------------------------------------------|-------------------------|
| Balance at 1 July 2024                      | 6,115,884               |
| Transfer from property, plant and equipment | 638,371                 |
| Depreciation expense                        | (262,717)               |
| Revaluation adjustment                      | <u>(1,049,583)</u>      |
| Balance at 30 June 2025                     | 5,082,706               |
| Revaluation adjustment                      | <u>(200,000)</u>        |
| Balance at 30 June 2026                     | <u><u>4,882,706</u></u> |

The properties situated at Level 1, 491 Kent Street, Sydney, NSW and Unit 4, 7 Napier Close, Deakin, ACT are currently for sale and are expected to be sold within a year from the reporting date through market sale.

**Note 9. Other current assets**

|                       | <b>Group</b>   |                | <b>Chief Entity</b> |                |
|-----------------------|----------------|----------------|---------------------|----------------|
|                       | <b>2026</b>    | <b>2025</b>    | <b>2026</b>         | <b>2025</b>    |
|                       | <b>\$</b>      | <b>\$</b>      | <b>\$</b>           | <b>\$</b>      |
| <i>Current assets</i> |                |                |                     |                |
| Prepayments           | <u>420,300</u> | <u>610,964</u> | <u>420,300</u>      | <u>610,964</u> |

**Note 10. Other financial assets**

|                               | <b>Group</b> |             | <b>Chief Entity</b> |             |
|-------------------------------|--------------|-------------|---------------------|-------------|
|                               | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                               | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| <i>Non-current assets</i>     |              |             |                     |             |
| Shares in controlled entities | <u>-</u>     | <u>-</u>    | <u>21</u>           | <u>21</u>   |

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS CONTROLLED ENTITIES**  
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**Note 11. Property, plant and equipment**

|                                                    | <b>Group</b>            |                         | <b>Chief Entity</b>     |                         |
|----------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                                    | <b>2026</b>             | <b>2025</b>             | <b>2026</b>             | <b>2025</b>             |
|                                                    | <b>\$</b>               | <b>\$</b>               | <b>\$</b>               | <b>\$</b>               |
| <i>Non-current assets</i>                          |                         |                         |                         |                         |
| Land and buildings - at fair value                 | 5,109,711               | 5,104,299               | 5,109,711               | 5,104,299               |
| Less: Accumulated depreciation                     | (197,200)               | (154,277)               | (197,200)               | (154,277)               |
| Total land and buildings                           | <u>4,912,511</u>        | <u>4,950,022</u>        | <u>4,912,511</u>        | <u>4,950,022</u>        |
| Motor vehicles - at cost                           | 42,533                  | -                       | 42,533                  | -                       |
| Less: Accumulated depreciation                     | (5,317)                 | -                       | (5,317)                 | -                       |
|                                                    | <u>37,216</u>           | <u>-</u>                | <u>37,216</u>           | <u>-</u>                |
| Office fittings, furniture and equipment - at cost | 1,160,416               | 1,143,453               | 1,160,416               | 1,143,453               |
| Less: Accumulated depreciation                     | (541,677)               | (444,701)               | (541,677)               | (444,701)               |
| Total office equipment                             | <u>618,739</u>          | <u>698,752</u>          | <u>618,739</u>          | <u>698,752</u>          |
| Work in progress - at cost                         | <u>40,615</u>           | <u>21,306</u>           | <u>40,615</u>           | <u>21,306</u>           |
| Total property, plant and equipment                | <u><u>5,609,081</u></u> | <u><u>5,670,080</u></u> | <u><u>5,609,081</u></u> | <u><u>5,670,080</u></u> |

*Reconciliation of opening and closing balances of property, plant and equipment*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

|                                                                    | <b>Land and buildings</b> | <b>Motor vehicles</b> | <b>Office fittings, furniture and equipment</b> | <b>Work in progress</b> | <b>Total</b>            |
|--------------------------------------------------------------------|---------------------------|-----------------------|-------------------------------------------------|-------------------------|-------------------------|
|                                                                    | <b>\$</b>                 | <b>\$</b>             | <b>\$</b>                                       | <b>\$</b>               | <b>\$</b>               |
| <b>Group Entity</b>                                                |                           |                       |                                                 |                         |                         |
| Balance at 1 July 2024                                             | 5,677,915                 | -                     | 237,332                                         | -                       | 5,915,247               |
| Additions                                                          | -                         | -                     | 509,417                                         | 21,306                  | 530,723                 |
| Transfer to non-current asset classified as held for sale (note 8) | (638,371)                 | -                     | -                                               | -                       | (638,371)               |
| Depreciation expense                                               | (89,522)                  | -                     | (47,997)                                        | -                       | (137,519)               |
| Balance at 30 June 2025                                            | <u>4,950,022</u>          | <u>-</u>              | <u>698,752</u>                                  | <u>21,306</u>           | <u>5,670,080</u>        |
| Additions                                                          | 5,412                     | 42,533                | 98,460                                          | -                       | 146,405                 |
| Transfers in/(out)                                                 | -                         | -                     | (19,309)                                        | 19,309                  | -                       |
| Depreciation expense                                               | (42,923)                  | (5,317)               | (159,164)                                       | -                       | (207,404)               |
| Balance at 30 June 2026                                            | <u><u>4,912,511</u></u>   | <u><u>37,216</u></u>  | <u><u>618,739</u></u>                           | <u><u>40,615</u></u>    | <u><u>5,609,081</u></u> |

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**Note 11. Property, plant and equipment (continued)**

| Chief Entity                                                       | Land and buildings<br>\$ | Motor vehicles<br>\$ | Office fittings, furniture and equipment<br>\$ | Work in progress<br>\$ | Total<br>\$      |
|--------------------------------------------------------------------|--------------------------|----------------------|------------------------------------------------|------------------------|------------------|
| Balance at 1 July 2024                                             | 5,677,915                | -                    | 237,332                                        | -                      | 5,915,247        |
| Additions                                                          | -                        | -                    | 509,417                                        | 21,306                 | 530,723          |
| Transfer to non-current asset classified as held for sale (note 8) | (638,371)                | -                    | -                                              | -                      | (638,371)        |
| Depreciation expense                                               | (89,522)                 | -                    | (47,997)                                       | -                      | (137,519)        |
| Balance at 30 June 2025                                            | 4,950,022                | -                    | 698,752                                        | 21,306                 | 5,670,080        |
| Additions                                                          | 5,412                    | 42,533               | 98,460                                         | -                      | 146,405          |
| Transfers in/(out)                                                 | -                        | -                    | (19,309)                                       | 19,309                 | -                |
| Depreciation expense                                               | (42,923)                 | (5,317)              | (159,164)                                      | -                      | (207,404)        |
| Balance at 30 June 2026                                            | <u>4,912,511</u>         | <u>37,216</u>        | <u>618,739</u>                                 | <u>40,615</u>          | <u>5,609,081</u> |

*Valuations of land and buildings*

Land and buildings held by the Group were subject to assessment for fair value by the National Board at 30 June 2025 based on the independent valuations of these properties as outlined below. Independent valuations are obtained for all properties over a rolling three-year period.

Due to possible changes in market conditions and other circumstances the valuations below are regarded only as relevant as at the date of last independent valuation were conducted.

The property located at 152-160 Miller Street West Melbourne Victoria was independently valued as at 30 June 2025 by R Macdougall, certified practicing valuer of M3 Property. The valuation used capitalisation of net income and direct comparison as valuation methods.

**Note 12. Leases**

|                                   | Group          |                  | Chief Entity   |                  |
|-----------------------------------|----------------|------------------|----------------|------------------|
|                                   | 2026<br>\$     | 2025<br>\$       | 2026<br>\$     | 2025<br>\$       |
| <i>Non-current assets</i>         |                |                  |                |                  |
| Land and buildings - right-of-use | 994,090        | 1,018,672        | 994,090        | 1,018,672        |
| Less: Accumulated depreciation    | (395,748)      | (244,684)        | (395,748)      | (244,684)        |
|                                   | <u>598,342</u> | <u>773,988</u>   | <u>598,342</u> | <u>773,988</u>   |
| Motor vehicles - right-of-use     | 895,819        | 871,337          | 895,819        | 871,337          |
| Less: Accumulated depreciation    | (704,280)      | (580,320)        | (704,280)      | (580,320)        |
|                                   | <u>191,539</u> | <u>291,017</u>   | <u>191,539</u> | <u>291,017</u>   |
| Printer - right-of-use            | 157,042        | 157,042          | 157,042        | 157,042          |
| Less: Accumulated depreciation    | (68,051)       | (36,573)         | (68,051)       | (36,573)         |
|                                   | <u>88,991</u>  | <u>120,469</u>   | <u>88,991</u>  | <u>120,469</u>   |
|                                   | <u>878,872</u> | <u>1,185,474</u> | <u>878,872</u> | <u>1,185,474</u> |

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**Note 12. Leases (continued)**

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

| <b>Group Entity</b>     | Land and<br>buildings -<br>right-of-use<br>\$ | Motor<br>vehicles -<br>right-of-use<br>\$ | Printer<br>right-of-use<br>\$ | Total<br>\$    |
|-------------------------|-----------------------------------------------|-------------------------------------------|-------------------------------|----------------|
| Balance at 1 July 2024  | 150,211                                       | 151,055                                   | -                             | 301,266        |
| Additions               | 768,474                                       | 283,440                                   | 157,042                       | 1,208,956      |
| Depreciation expense    | (144,697)                                     | (143,478)                                 | (36,573)                      | (324,748)      |
| Balance at 30 June 2025 | 773,988                                       | 291,017                                   | 120,469                       | 1,185,474      |
| Additions               | -                                             | 19,514                                    | -                             | 19,514         |
| Depreciation expense    | (175,646)                                     | (118,992)                                 | (31,478)                      | (326,116)      |
| Balance at 30 June 2026 | <u>598,342</u>                                | <u>191,539</u>                            | <u>88,991</u>                 | <u>878,872</u> |
| <b>Chief Entity</b>     | Land and<br>buildings -<br>right-of-use<br>\$ | Motor<br>vehicles -<br>right-of-use<br>\$ | Printer<br>right-of-use<br>\$ | Total<br>\$    |
| Balance at 1 July 2024  | 150,211                                       | 151,055                                   | -                             | 301,266        |
| Additions               | 768,474                                       | 283,440                                   | 157,042                       | 1,208,956      |
| Depreciation expense    | (144,697)                                     | (143,478)                                 | (36,573)                      | (324,748)      |
| Balance at 30 June 2025 | 773,988                                       | 291,017                                   | 120,469                       | 1,185,474      |
| Additions               | -                                             | 19,514                                    | -                             | 19,514         |
| Depreciation expense    | (175,646)                                     | (118,992)                                 | (31,478)                      | (326,116)      |
| Balance at 30 June 2026 | <u>598,342</u>                                | <u>191,539</u>                            | <u>88,991</u>                 | <u>878,872</u> |

The table below describes the nature of the Reporting Unit's leasing activities by type of right-of-use asset recognised on balance sheet:

| Right-of-use asset (ROA) | No. of ROA | Range of<br>remaining<br>term | Average<br>remaining<br>lease term | No. of<br>leases with<br>extensions | No. of<br>leases with<br>option to<br>purchase | No. of<br>leases with<br>variable<br>payments | No. of<br>leases with<br>termination<br>options |
|--------------------------|------------|-------------------------------|------------------------------------|-------------------------------------|------------------------------------------------|-----------------------------------------------|-------------------------------------------------|
| Office building          | 3          | 4 years                       | -                                  | 3                                   | -                                              | -                                             | -                                               |
| Motor vehicles           | 14         | 1-3 years                     | 1.5 years                          | -                                   | -                                              | -                                             | -                                               |

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

|                       | <b>Group</b>     |                  | <b>Chief Entity</b> |                  |
|-----------------------|------------------|------------------|---------------------|------------------|
|                       | <b>2026</b>      | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
|                       | <b>\$</b>        | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| Balance 1 July        | 1,334,570        | 294,005          | 1,334,570           | 294,005          |
| Additions             | 24,481           | 1,291,426        | 24,481              | 1,291,426        |
| Accretion of interest | 115,723          | 62,237           | 115,723             | 62,237           |
| Payments              | (445,134)        | (313,098)        | (445,134)           | (313,098)        |
| Balance 30 June       | <u>1,029,640</u> | <u>1,334,570</u> | <u>1,029,640</u>    | <u>1,334,570</u> |

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**Note 12. Leases (continued)**

|             |         |         |         |         |
|-------------|---------|---------|---------|---------|
| Current     | 326,660 | 349,254 | 326,660 | 349,254 |
| Non-current | 702,980 | 985,316 | 702,980 | 985,316 |

The following are the amounts recognised in profit or loss:

|                                             |         |         |         |         |
|---------------------------------------------|---------|---------|---------|---------|
| Depreciation expense of right-of-use assets | 326,116 | 324,748 | 326,116 | 324,748 |
| Interest expense on lease liabilities       | 115,723 | 62,237  | 115,723 | 62,237  |
| Total amount recognised in profit or loss   | 441,839 | 386,985 | 441,839 | 386,985 |

No variable lease payments are recognised by the Reporting Unit.

**Reporting Unit as a lessor**

Amounts included in the income statement are as follows:

|                 |       |        |       |        |
|-----------------|-------|--------|-------|--------|
| Lease income    | 8,445 | 18,159 | 8,445 | 18,159 |
| Balance 30 June | 8,445 | 18,159 | 8,445 | 18,159 |

**Operating lease commitments — as lessee**

The Reporting Unit has a month-by-month operating lease for several of the car spaces in their Canberra property.

**Maturity analysis of undiscounted lease payments for operating leases (as a lessee) as at 30 June are:**

|                                             |   |   |   |   |
|---------------------------------------------|---|---|---|---|
| Within one year                             | - | - | - | - |
| After one year but not more than five years | - | - | - | - |
| More than five years                        | - | - | - | - |
| Balance 30 June                             | - | - | - | - |

**Note 13. Intangibles**

|                                | <b>Group</b> |             | <b>Chief Entity</b> |             |
|--------------------------------|--------------|-------------|---------------------|-------------|
|                                | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                                | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| <i>Non-current assets</i>      |              |             |                     |             |
| Computer software at cost      | 249,922      | 183,918     | 249,922             | 183,918     |
| Less: Accumulated amortisation | (186,124)    | (167,616)   | (186,124)           | (167,616)   |
| Total intangibles              | 63,798       | 16,302      | 63,798              | 16,302      |

Reconciliations of opening and closing balances of intangibles

|                         | Computer software |
|-------------------------|-------------------|
|                         | \$                |
| <b>Group Entity</b>     |                   |
| Balance at 1 July 2024  | 27,802            |
| Amortisation expense    | (11,500)          |
| Balance at 30 June 2025 | 16,302            |
| Additions               | 66,004            |
| Amortisation expense    | (18,508)          |
| Balance at 30 June 2026 | 63,798            |

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS CONTROLLED ENTITIES**  
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**Note 13. Intangibles (continued)**

|                         | Computer software |
|-------------------------|-------------------|
| <b>Chief Entity</b>     | \$                |
| Balance at 1 July 2024  | 27,802            |
| Amortisation expense    | (11,500)          |
| Balance at 30 June 2025 | 16,302            |
| Additions               | 66,004            |
| Amortisation expense    | (18,508)          |
| Balance at 30 June 2026 | <u>63,798</u>     |

**Note 14. Trade payables**

|                                     | <b>Group</b>     |                  | <b>Chief Entity</b> |                  |
|-------------------------------------|------------------|------------------|---------------------|------------------|
|                                     | <b>2026</b>      | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
|                                     | <b>\$</b>        | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| <i>Current liabilities</i>          |                  |                  |                     |                  |
| Trade and sundry payables           | 1,784,074        | 1,145,798        | 1,829,269           | 1,239,386        |
| Prepaid subscriptions and income    | 2,512,728        | 2,946,521        | 2,512,728           | 2,946,521        |
| Amounts owed to controlled entities | 69,598           | 19,810           | 719,596             | 669,808          |
| Amounts owed to related parties     | -                | -                | -                   | -                |
| Payable to other reporting units    | 981              | 168,174          | 981                 | 168,174          |
|                                     | <u>4,367,381</u> | <u>4,280,303</u> | <u>5,062,574</u>    | <u>5,023,889</u> |

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

Prepaid subscriptions and income represent amounts received in respect to the 2026/27 period.

**Note 15. Other financial liability**

|                            | <b>Group</b>   |                | <b>Chief Entity</b> |                |
|----------------------------|----------------|----------------|---------------------|----------------|
|                            | <b>2026</b>    | <b>2025</b>    | <b>2026</b>         | <b>2025</b>    |
|                            | <b>\$</b>      | <b>\$</b>      | <b>\$</b>           | <b>\$</b>      |
| <i>Current liabilities</i> |                |                |                     |                |
| Bank overdraft             | <u>328,485</u> | <u>314,517</u> | <u>328,485</u>      | <u>314,517</u> |

**Note 16. Employee provisions**

|                                             | <b>Group</b> |             | <b>Chief Entity</b> |             |
|---------------------------------------------|--------------|-------------|---------------------|-------------|
|                                             | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                                             | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| Office Holders:                             |              |             |                     |             |
| Annual leave                                | -            | -           | -                   | -           |
| Long service leave                          | -            | -           | -                   | -           |
| Separation and redundancies                 | -            | -           | -                   | -           |
| Other leave balance (Rostered Days Off)     | -            | -           | -                   | -           |
| Other employee benefits                     | -            | -           | -                   | -           |
| Subtotal employee provisions—office holders | <u>-</u>     | <u>-</u>    | <u>-</u>            | <u>-</u>    |

**THE ASSOCIATION OF PROFESSIONAL ENGINEERS, SCIENTISTS & MANAGERS, AUSTRALIA & ITS CONTROLLED ENTITIES**  
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**Note 16. Employee provisions (continued)**

Employees other than office holders:

|                                                                  |           |           |           |           |
|------------------------------------------------------------------|-----------|-----------|-----------|-----------|
| Annual leave                                                     | 725,480   | 827,269   | 725,480   | 827,269   |
| Long service leave                                               | 650,363   | 718,908   | 650,363   | 718,908   |
| Separation and redundancies                                      | -         | -         | -         | -         |
| Other leave balance (Rostered Days Off)                          | 143,766   | 125,133   | 143,766   | 125,133   |
| Other employee benefits                                          | -         | -         | -         | -         |
| Subtotal employee provisions—employees other than office holders | 1,519,609 | 1,671,310 | 1,519,609 | 1,671,310 |
| Total employee provisions                                        | 1,519,609 | 1,671,310 | 1,519,609 | 1,671,310 |
| Current                                                          | 1,408,776 | 1,571,164 | 1,408,776 | 1,571,164 |
| Non-current                                                      | 110,833   | 100,146   | 110,833   | 100,146   |
| Total employee provisions                                        | 1,519,609 | 1,671,310 | 1,519,609 | 1,671,310 |

**Net fair values**

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

**Note 17. Other payables**

|                                                                                | <b>Group</b> |             | <b>Chief Entity</b> |             |
|--------------------------------------------------------------------------------|--------------|-------------|---------------------|-------------|
|                                                                                | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                                                                                | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| <i>Current liabilities</i>                                                     |              |             |                     |             |
| Legal costs                                                                    |              |             |                     |             |
| Litigation                                                                     | -            | -           | -                   | -           |
| Other legal costs                                                              | -            | -           | -                   | -           |
| Payable to employers for making payroll deductions of membership subscriptions | -            | -           | -                   | -           |
|                                                                                | -            | -           | -                   | -           |

**Note 18. Reserves**

|                                               | <b>Group</b> |             | <b>Chief Entity</b> |             |
|-----------------------------------------------|--------------|-------------|---------------------|-------------|
|                                               | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                                               | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| Property revaluation reserve                  | 4,047,565    | 4,247,565   | 4,047,565           | 4,247,565   |
| Innovation reserve                            | 239,633      | 239,633     | 239,633             | 239,633     |
| Compulsory levy / voluntary contribution fund | 16,174,251   | 15,721,349  | 16,174,251          | 15,721,349  |
|                                               | 20,461,449   | 20,208,547  | 20,461,449          | 20,208,547  |
| Property revaluation reserve                  |              |             |                     |             |
| Balance at 1 July                             | 4,247,565    | 5,655,977   | 4,247,565           | 5,655,977   |
| Revaluation during year                       | (200,000)    | (1,051,721) | (200,000)           | (1,051,721) |
| Transfer to member funds                      | -            | (356,691)   | -                   | (356,691)   |
| Balance at 30 June                            | 4,047,565    | 4,247,565   | 4,047,565           | 4,247,565   |

*Property revaluation reserve*

The property revaluation reserve captures the increase / decrease in the value of property assets of the Association following revaluation.

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**Note 18. Reserves (continued)**

|                          |                |                |                |                |
|--------------------------|----------------|----------------|----------------|----------------|
| Innovation               |                |                |                |                |
| Balance at 1 July        | 239,633        | 239,633        | 239,633        | 239,633        |
| Transfer to member funds | -              | -              | -              | -              |
| Balance at 30 June       | <u>239,633</u> | <u>239,633</u> | <u>239,633</u> | <u>239,633</u> |

*Innovation reserve*

The Innovation reserve contains the refunds received from the reinstatement of Chifley Business School debtor following the sale of the Chifley Business School Pty Ltd to Laureate International Universities. This reserve is to be used specifically to grow Association membership across both collective and non-collective bases via investment in new technologies and staff resources.

|                             |                  |                  |                  |                  |
|-----------------------------|------------------|------------------|------------------|------------------|
| <b>Total other reserves</b> | <u>4,287,198</u> | <u>4,487,198</u> | <u>4,287,198</u> | <u>4,487,198</u> |
|-----------------------------|------------------|------------------|------------------|------------------|

**Equity - Other Specific Disclosure Funds**  
**Compulsory levy / voluntary contribution fund**

**APESMA Legal Defence Funds**

|                                     |                |                |                |                |
|-------------------------------------|----------------|----------------|----------------|----------------|
| Balance as at start and end of year | <u>528,464</u> | <u>528,464</u> | <u>528,464</u> | <u>528,464</u> |
|-------------------------------------|----------------|----------------|----------------|----------------|

The APESMA Legal Defence Fund was created out of the surplus funds from the Building APESMA's Future initiative undertaken in financial year 2007/2008.

**Civil Aviation Safety Authority**

|                                 |          |               |          |               |
|---------------------------------|----------|---------------|----------|---------------|
| Balance as at start of year     | 61,059   | 58,701        | 61,059   | 58,701        |
| Transfer (to)/from member funds | (61,059) | 2,358         | (61,059) | 2,358         |
| Balance as at end of year       | <u>-</u> | <u>61,059</u> | <u>-</u> | <u>61,059</u> |

The CASA reserve was established as a legal defence fund to be used specifically for the professional staff of CASA, who remain members of Professionals Australia.

**CSD Legal Defence Fund**

|                             |                   |                   |                   |                   |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| Balance as at start of year | 14,139,204        | 13,324,448        | 14,139,204        | 13,324,448        |
| Transfer from member funds  | 263,075           | 814,756           | 263,075           | 814,756           |
| Balance as at end of year   | <u>14,402,279</u> | <u>14,139,204</u> | <u>14,402,279</u> | <u>14,139,204</u> |

The CSD Legal Defence Fund was established from net assets brought in from the amalgamation with the Australian Collieries' Staff Association, with funds to only be applied towards specific purposes (predominantly the provision of legal representation and associated costs for members of the Collieries Staff Division) - refer to note 24.

**CSD Members Assistance Funds**

|                             |                  |                |                  |                |
|-----------------------------|------------------|----------------|------------------|----------------|
| Balance as at start of year | 992,622          | 681,876        | 992,622          | 681,876        |
| Transfer from member funds  | 250,886          | 310,746        | 250,886          | 310,746        |
| Balance as at end of year   | <u>1,243,508</u> | <u>992,622</u> | <u>1,243,508</u> | <u>992,622</u> |

The CSD Members Assistance Fund was established for the purpose of supporting eligible members of the Collieries Staff Division Fund experiencing loss of income - refer to note 24.

|                                                            |                   |                   |                   |                   |
|------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total compulsory levy / voluntary contribution fund</b> | <u>16,174,251</u> | <u>15,721,349</u> | <u>16,174,251</u> | <u>15,721,349</u> |
|------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|

|                       |                   |                   |                   |                   |
|-----------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total reserves</b> | <u>20,461,449</u> | <u>20,208,547</u> | <u>20,461,449</u> | <u>20,208,547</u> |
|-----------------------|-------------------|-------------------|-------------------|-------------------|

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**Note 19. Cash flow information**

**Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow:**

|                                         | <b>Group</b> |             | <b>Chief Entity</b> |             |
|-----------------------------------------|--------------|-------------|---------------------|-------------|
|                                         | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                                         | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| <b>Cash and cash equivalents as per</b> |              |             |                     |             |
| Statement of cash flow                  | 13,338,077   | 8,333,308   | 13,295,647          | 8,275,659   |
| Statement of financial position         | 13,666,562   | 8,647,825   | 13,624,132          | 8,590,176   |
| Less: bank overdraft                    | (328,485)    | (314,517)   | (328,485)           | (314,517)   |
| Difference                              | -            | -           | -                   | -           |

**Reconciliation of surplus after income tax to net cash from operating activities:**

|                                               | <b>Group</b>     |                  | <b>Chief Entity</b> |                  |
|-----------------------------------------------|------------------|------------------|---------------------|------------------|
|                                               | <b>2026</b>      | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
|                                               | <b>\$</b>        | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| Surplus after income tax benefit for the year | 2,052,998        | 1,444,775        | 2,060,582           | 1,418,636        |
| Adjustments for:                              |                  |                  |                     |                  |
| Depreciation and amortisation                 | 552,028          | 724,984          | 552,028             | 724,984          |
| Decrement in value of investment              | (351,210)        | (1,006,394)      | (351,210)           | (1,006,394)      |
| Change in operating assets and liabilities:   |                  |                  |                     |                  |
| Decrease in sundry debtors                    | 107,979          | 202,569          | 164,008             | 208,021          |
| Decrease/(increase) in prepayments            | 190,664          | (209,276)        | 190,664             | (209,499)        |
| Increase in creditors and other payables      | 87,080           | 383,391          | 38,685              | 383,397          |
| Decrease in employee benefits                 | (151,701)        | (280,213)        | (151,701)           | (280,213)        |
| Net cash from operating activities            | <u>2,487,838</u> | <u>1,259,836</u> | <u>2,503,056</u>    | <u>1,238,932</u> |

The Group has bank overdraft (\$500,000) facilities and business card (\$50,000) facilities. The used overdraft facility amount was \$328,485 as at 30 June 2026. These facilities are subject to annual review.

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**Note 19. Cash flow information (continued)**

**Cash flow information**

|                                                 | <b>Group</b> |             | <b>Chief Entity</b> |             |
|-------------------------------------------------|--------------|-------------|---------------------|-------------|
|                                                 | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                                                 | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| Cash flow movements with other reporting units: |              |             |                     |             |
| Cash inflows                                    |              |             |                     |             |
| LGEA of NSW                                     | 753,840      | 673,885     | 753,840             | 673,885     |
| Cash outflows                                   |              |             |                     |             |
| SA Unions                                       | 9,058        | 8,799       | 9,058               | 8,799       |
| Newcastle Trades Hall Council                   | 2,290        | 1,193       | 2,290               | 1,193       |
| Unions WA                                       | 6,471        | 6,290       | 6,471               | 6,290       |
| LGEA of NSW                                     | 701,479      | 653,401     | 701,479             | 653,401     |
| ACTU                                            | 111,123      | 111,494     | 111,123             | 111,494     |
| Unions ACT                                      | 5,349        | 5,140       | 5,349               | 5,140       |
| Unions NSW                                      | 32,056       | 27,230      | 32,056              | 27,230      |
| QLD Council of Unions                           | 36,756       | 27,106      | 36,756              | 27,106      |
| Victorian Trades Hall Council                   | 46,829       | 44,095      | 46,829              | 44,095      |
| UNI Global Union                                | 10,474       | -           | 10,474              | -           |
| Union Aid Abroad - APHEDA                       | 2,864        | 2,506       | 2,864               | 2,506       |
| Unions TAS                                      | 2,658        | 2,678       | 2,658               | 2,678       |
| SA May Day Collective                           | 500          | -           | 500                 | -           |
| South Coast Labour Council                      | 115          | 27          | 115                 | 27          |
|                                                 | 968,022      | 889,959     | 968,022             | 889,959     |

**Note 20. Non-controlling interest**

|                          | <b>Group</b> |             | <b>Chief Entity</b> |             |
|--------------------------|--------------|-------------|---------------------|-------------|
|                          | <b>2026</b>  | <b>2025</b> | <b>2026</b>         | <b>2025</b> |
|                          | <b>\$</b>    | <b>\$</b>   | <b>\$</b>           | <b>\$</b>   |
| Non-controlling interest | (22,290)     | (20,394)    | -                   | -           |

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**Note 21. Fair value measurement hierarchy for assets**

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

| <b>Group and Chief Entity</b>                                     | Carrying<br>amount<br>30 June 2026<br>\$ | Date of<br>valuation | Level 1<br>\$ | Level 2<br>\$ | Level 3<br>\$ |
|-------------------------------------------------------------------|------------------------------------------|----------------------|---------------|---------------|---------------|
| <b>Financial assets</b>                                           |                                          |                      |               |               |               |
| Vanguard Index Fund - Unit Trust                                  | 6,720,722                                | 30/06/2026           | 6,720,722     | -             | -             |
| Short-term investment                                             | 5,750,223                                | 30/06/2026           | 5,750,223     | -             | -             |
| <b>Property</b>                                                   |                                          |                      |               |               |               |
| Non-current asset classified as held for sale - Canberra Property | 582,706                                  | 30/06/2022           | -             | 582,706       | -             |
| Land and buildings - Melbourne property                           | 4,912,511                                | 30/06/2025           | -             | 4,912,511     | -             |
| Non-current asset classified as held for sale - Sydney Property   | 4,300,000                                | 30/06/2025           | -             | 4,300,000     | -             |
| <b>Group and Chief Entity</b>                                     | Carrying<br>amount<br>30 June 2025<br>\$ | Date of<br>valuation | Level 1<br>\$ | Level 2<br>\$ | Level 3<br>\$ |
| <b>Financial assets</b>                                           |                                          |                      |               |               |               |
| Vanguard Index Fund - Unit Trust                                  | 6,317,961                                | 30/06/2025           | 6,317,961     | -             | -             |
| Short-term investment                                             | 5,066,527                                | 30/06/2025           | 5,066,527     | -             | -             |
| <b>Property</b>                                                   |                                          |                      |               |               |               |
| Non-current asset classified as held for sale - Canberra Property | 582,706                                  | 30/06/2022           | -             | 582,706       | -             |
| Land and buildings - Melbourne property                           | 4,950,021                                | 30/06/2025           | -             | 4,950,021     | -             |
| Non-current asset classified as held for sale - Sydney Property   | 4,500,000                                | 30/06/2025           | -             | 4,500,000     | -             |

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

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**Note 22. Key management personnel disclosures**

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

Names and positions held of key management personnel in office at any time during the financial year are:

| <b>Key Management Person</b>           | <b>Position</b>                                      |
|----------------------------------------|------------------------------------------------------|
| Aleksandra Subotic                     | Learning & Career Excellence Director                |
| Gordon Brock (resigned on 1 July 2025) | NSW Director                                         |
| Justine McCarthy                       | NSW Director                                         |
| Mal Lewis (resigned on 2 January 2026) | Finance Director                                     |
| Marni Bradley                          | Membership Director                                  |
| Paul Inglis                            | SA/TAS/NT Director                                   |
| Robert Coluccio                        | Collieries' Staff and Officials Association Director |
| Samuel Roberts                         | Chief Executive Officer                              |
| Scott Crawford                         | Workplace & Advisory Service Director                |
| Sean Kelly                             | QLD/VIC Director                                     |
| Tamarah Rowlands                       | WA Director                                          |
| Thuy Hoang                             | Finance Manager                                      |

Key management personnel remuneration included within employee expenses for both years is shown below:

|                                       | <b>Group</b>     |                  | <b>Chief Entity</b> |                  |
|---------------------------------------|------------------|------------------|---------------------|------------------|
|                                       | <b>2026</b>      | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
|                                       | <b>\$</b>        | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| <b>Short-term employee benefits</b>   |                  |                  |                     |                  |
| Salary (including annual leave taken) | 2,136,479        | 1,491,778        | 2,136,479           | 1,491,778        |
| Annual leave accrued                  | 13,322           | 40,073           | 13,322              | 40,073           |
|                                       | <u>2,149,801</u> | <u>1,531,851</u> | <u>2,149,801</u>    | <u>1,531,851</u> |
|                                       |                  |                  |                     |                  |
|                                       | <b>Group</b>     |                  | <b>Chief Entity</b> |                  |
|                                       | <b>2026</b>      | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
|                                       | <b>\$</b>        | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| <b>Post-employment benefits</b>       |                  |                  |                     |                  |
| Superannuation                        | <u>232,691</u>   | <u>179,167</u>   | <u>232,691</u>      | <u>179,167</u>   |
|                                       |                  |                  |                     |                  |
|                                       | <b>Group</b>     |                  | <b>Chief Entity</b> |                  |
|                                       | <b>2026</b>      | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
| <b>Other long-term benefits</b>       |                  |                  |                     |                  |
| Long service leave                    | <u>26,290</u>    | <u>(18,021)</u>  | <u>26,290</u>       | <u>(18,021)</u>  |
|                                       |                  |                  |                     |                  |
|                                       | <b>Group</b>     |                  | <b>Chief Entity</b> |                  |
|                                       | <b>2026</b>      | <b>2025</b>      | <b>2026</b>         | <b>2025</b>      |
|                                       | <b>\$</b>        | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        |
| <b>Termination benefits</b>           | <u>61,009</u>    | <u>-</u>         | <u>61,009</u>       | <u>-</u>         |

There were no other transactions with key management personnel.

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**Note 23. Remuneration of auditors**

|                                                                  | <b>Group</b>   |                | <b>Chief Entity</b> |                |
|------------------------------------------------------------------|----------------|----------------|---------------------|----------------|
|                                                                  | <b>2026</b>    | <b>2025</b>    | <b>2026</b>         | <b>2025</b>    |
|                                                                  | <b>\$</b>      | <b>\$</b>      | <b>\$</b>           | <b>\$</b>      |
| <b>Value of the services provided</b>                            |                |                |                     |                |
| RSM Australia Pty Ltd                                            |                |                |                     |                |
| Financial statement and other audit services                     | 76,300         | 73,000         | 70,800              | 70,000         |
| Other services - assistance with financial statement preparation | 15,300         | 11,000         | 11,500              | 10,000         |
|                                                                  | <u>91,600</u>  | <u>84,000</u>  | <u>82,300</u>       | <u>80,000</u>  |
| Daley Audit                                                      |                |                |                     |                |
| Financial statement and other audit services                     | 12,250         | 11,800         | 12,250              | 11,800         |
| Other accounting services                                        | 34,108         | 43,590         | 34,108              | 43,590         |
|                                                                  | <u>46,358</u>  | <u>55,390</u>  | <u>46,358</u>       | <u>55,390</u>  |
| <b>Total remuneration of auditor</b>                             | <u>137,958</u> | <u>139,390</u> | <u>128,658</u>      | <u>135,390</u> |

**Note 24. Financial risk management**

The Group's financial instruments consist mainly of deposits with banks, investment portfolio, accounts receivable and payable and loans to entities.

**a) Credit risk**

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

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

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

|                     | <b>Not past due<br/>nor impaired<br/>2026<br/>\$</b> | <b>Past due or<br/>impaired<br/>2026<br/>\$</b> | <b>Not past due<br/>nor impaired<br/>2025<br/>\$</b> | <b>Past due or<br/>impaired<br/>2025<br/>\$</b> |
|---------------------|------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|-------------------------------------------------|
| <b>Group</b>        |                                                      |                                                 |                                                      |                                                 |
| Receivables         | 154,496                                              | -                                               | 266,624                                              | -                                               |
| <b>Chief Entity</b> |                                                      |                                                 |                                                      |                                                 |
| Receivables         | 194,401                                              | -                                               | 362,557                                              | -                                               |

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**Note 24. Financial risk management (continued)**

**Ageing of financial assets that were not impaired**

|                     | 30 days<br>\$  | 31 - 60 days<br>\$ | 61 - 90 days<br>\$ | > 90 days<br>\$ | Total<br>\$    |
|---------------------|----------------|--------------------|--------------------|-----------------|----------------|
| <b>2026</b>         |                |                    |                    |                 |                |
| <b>Group</b>        |                |                    |                    |                 |                |
| Receivables         | 154,496        | -                  | -                  | -               | 154,496        |
| <b>Chief entity</b> |                |                    |                    |                 |                |
| Receivables         | 194,401        | -                  | -                  | -               | 194,401        |
|                     | <u>348,897</u> | <u>-</u>           | <u>-</u>           | <u>-</u>        | <u>348,897</u> |
|                     | 30 days<br>\$  | 31 - 60 days<br>\$ | 61 - 90 days<br>\$ | > 90 days<br>\$ | Total<br>\$    |
| <b>2025</b>         |                |                    |                    |                 |                |
| <b>Group</b>        |                |                    |                    |                 |                |
| Receivables         | 266,624        | -                  | -                  | -               | 266,624        |
| <b>Chief entity</b> |                |                    |                    |                 |                |
| Receivables         | 362,557        | -                  | -                  | -               | 362,557        |
|                     | <u>629,181</u> | <u>-</u>           | <u>-</u>           | <u>-</u>        | <u>629,181</u> |

**b) Net fair values**

The net fair values of the Group's financial assets and financial liabilities are not expected to be significantly different from each class of asset and liability as disclosed above and recognised in the consolidated statement of financial position as at 30 June 2026.

**c) Market risk**

The reporting entity is exposed to other price risk through its investments in listed securities. The fair value of these investments may fluctuate because of changes in quoted market prices, whether caused by factors specific to an individual investment or its issuer, or by broader factors affecting the market. The reporting entity manages this risk by regularly monitoring the performance of its investment portfolio and market conditions

The following table demonstrates the sensitivity to a reasonably possible change in fair value or future cash flows of a financial instrument:

| 2026             |                                 |                             |                     | 2025                            |                           |                             |                     |
|------------------|---------------------------------|-----------------------------|---------------------|---------------------------------|---------------------------|-----------------------------|---------------------|
| Risk variable    | Change in risk variable %       | Effect on Profit or loss \$ | Effect on Equity \$ | Risk variable                   | Change in risk variable % | Effect on Profit or loss \$ | Effect on Equity \$ |
| Other price risk | Market price of investments +5% | 623,547                     | -                   | Market price of investments +5% | 569,224                   | -                           | -                   |
| Other price risk | Market price of investments -5% | (623,547)                   | -                   | Market price of investments -5% | (569,224)                 | -                           | -                   |

**d) Liquidity risk**

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

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**Note 24. Financial risk management (continued)**

**Net fair values of financial assets and liabilities**

The net fair values of:

- Term receivables, government and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present values
- The lease liability is determined by discounting the cash flows, at the incremental borrowing rate, to their present value
- Other assets and liabilities approximate their carrying value

**Group Entity**

|                              | Carrying amount | Fair value |
|------------------------------|-----------------|------------|
| <b>2026</b>                  |                 |            |
| <b>Financial assets</b>      |                 |            |
| Cash and cash equivalents    | 13,666,562      | 13,666,562 |
| Receivables                  | 154,496         | 154,496    |
| Investments                  | 12,488,187      | 12,488,187 |
| <b>Financial liabilities</b> |                 |            |
| Payables                     | 4,367,381       | 4,367,381  |
| Lease liability              | 1,029,640       | 1,029,640  |
| Bank overdraft               | 328,485         | 328,485    |

**Group**

|                              | Carrying amount | Fair value |
|------------------------------|-----------------|------------|
| <b>2025</b>                  |                 |            |
| <b>Financial assets</b>      |                 |            |
| Cash and cash equivalents    | 8,647,825       | 8,647,825  |
| Receivables                  | 270,920         | 270,920    |
| Investments                  | 15,182,317      | 15,182,317 |
| <b>Financial liabilities</b> |                 |            |
| Payables                     | 4,280,303       | 4,280,303  |
| Lease liability              | 1,334,570       | 1,334,570  |
| Bank overdraft               | 314,517         | 314,517    |

**Chief Entity**

|                              | Carrying amount | Fair value |
|------------------------------|-----------------|------------|
| <b>2026</b>                  |                 |            |
| <b>Financial assets</b>      |                 |            |
| Cash and cash equivalents    | 13,624,132      | 13,624,132 |
| Receivables                  | 194,401         | 194,401    |
| Investments                  | 12,488,187      | 12,488,187 |
| <b>Financial liabilities</b> |                 |            |
| Payables                     | 5,062,574       | 5,062,574  |
| Lease liability              | 1,029,640       | 1,029,640  |
| Bank overdraft               | 328,485         | 314,517    |

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**Note 24. Financial risk management (continued)**

**Chief Entity**

|                              | Carrying amount | Fair value |
|------------------------------|-----------------|------------|
| <b>2025</b>                  |                 |            |
| <b>Financial assets</b>      |                 |            |
| Cash and cash equivalents    | 8,590,176       | 8,590,176  |
| Receivables                  | 362,557         | 362,557    |
| Investments                  | 15,182,317      | 15,182,317 |
| <b>Financial liabilities</b> |                 |            |
| Payables                     | 5,023,889       | 5,023,889  |
| Lease liability              | 1,334,570       | 1,334,570  |
| Bank overdraft               | 314,517         | 314,517    |

**e) Organisation funds**

The Group bank balances are subject to a group limit facility arrangement providing full set-off of debt and interest based on the net balance of group bank accounts excluding the following balances of the Collieries Staff Division (CSD) Legal Defence Fund and the CSD Members Assistance Fund (refer to note 18(a)), which cannot be encumbered or used for set-off without authority of the management committee of the Collieries Staff Division:

- Cash at bank balances of \$13,665,106 (2025: \$4,877,516); and
- Financial assets of \$12,470,945 (2025: \$10,098,548)

Similarly, the assets and liabilities of these Funds are restricted from use by the group, for any other purposes as has been expressed in the Rules of APESMA as lodged with Fair Work Commission and summarised at Note 16(a). All expenditures made must be with the express authority of the independent management committee of the CSD. Net balances of these funds are also reported at note 18(a).

**f) Interest rate risk**

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

|                             | Weighted average effective interest rate | Floating interest rate | Fixed interest rate maturities |              |           | Non interest bearing | Total             |
|-----------------------------|------------------------------------------|------------------------|--------------------------------|--------------|-----------|----------------------|-------------------|
|                             | %                                        | \$                     | 1 year or less                 | 1 to 5 years | > 5 years | \$                   | \$                |
| <b>Group Entity</b>         |                                          |                        |                                |              |           |                      |                   |
| 30 June 2026                |                                          |                        |                                |              |           |                      |                   |
| <b>Assets</b>               |                                          |                        |                                |              |           |                      |                   |
| Cash and cash equivalents   | 4.25%                                    | 13,666,562             | -                              | -            | -         | -                    | 13,666,562        |
| Financial assets            | -                                        | -                      | -                              | -            | -         | 12,470,945           | 12,470,945        |
| Term deposit                | 4.25%                                    | 17,242                 | -                              | -            | -         | -                    | 17,242            |
| Receivables                 | -                                        | -                      | -                              | -            | -         | 154,496              | 154,496           |
|                             |                                          | <u>13,683,804</u>      | <u>-</u>                       | <u>-</u>     | <u>-</u>  | <u>12,625,441</u>    | <u>26,309,245</u> |
| <b>Liabilities</b>          |                                          |                        |                                |              |           |                      |                   |
| Trade and sundry payables   | -                                        | -                      | -                              | -            | -         | 1,784,074            | 1,784,074         |
| Lease liability             | -                                        | -                      | -                              | -            | -         | 1,029,640            | 1,029,640         |
| Bank and bills overdraft    | -                                        | -                      | -                              | -            | -         | 328,485              | 328,485           |
|                             |                                          | <u>-</u>               | <u>-</u>                       | <u>-</u>     | <u>-</u>  | <u>3,142,199</u>     | <u>3,142,199</u>  |
| <b>Net financial assets</b> |                                          | <u>13,683,804</u>      | <u>-</u>                       | <u>-</u>     | <u>-</u>  | <u>9,483,242</u>     | <u>23,167,046</u> |

The total amount of financial liabilities disclosed above excludes statutory payables (i.e. GST payable).

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**Note 24. Financial risk management (continued)**

| <b>Group Entity</b><br>30 June 2025 | Weighted<br>average<br>effective<br>interest rate<br>% | Floating<br>interest rate<br>\$ | Fixed interest rate maturities |                    |                 | Non<br>interest<br>bearing<br>\$ | Total<br>\$       |
|-------------------------------------|--------------------------------------------------------|---------------------------------|--------------------------------|--------------------|-----------------|----------------------------------|-------------------|
|                                     |                                                        |                                 | 1 year or<br>less<br>\$        | 1 to 5 years<br>\$ | > 5 years<br>\$ |                                  |                   |
| <b>Assets</b>                       |                                                        |                                 |                                |                    |                 |                                  |                   |
| Cash and cash equivalents           | 4.25%                                                  | 8,647,825                       | -                              | -                  | -               | -                                | 8,647,825         |
| Financial assets                    | -                                                      | -                               | -                              | -                  | -               | 11,384,488                       | 11,384,488        |
| Term deposit                        | 4.00%                                                  | 3,797,829                       | -                              | -                  | -               | -                                | 3,797,829         |
| Receivables                         | -                                                      | -                               | -                              | -                  | -               | 270,920                          | 270,920           |
|                                     |                                                        | <u>12,445,654</u>               | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>11,655,408</u>                | <u>24,101,062</u> |
| <b>Liabilities</b>                  |                                                        |                                 |                                |                    |                 |                                  |                   |
| Trade and sundry payables           | -                                                      | -                               | -                              | -                  | -               | 1,313,971                        | 1,313,971         |
| Lease liability                     | -                                                      | -                               | -                              | -                  | -               | 1,334,570                        | 1,334,570         |
| Bank and bills overdraft            | -                                                      | -                               | -                              | -                  | -               | 314,517                          | 314,517           |
|                                     |                                                        | <u>-</u>                        | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>2,963,058</u>                 | <u>2,963,058</u>  |
| <b>Net financial assets</b>         |                                                        | <u>12,445,654</u>               | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>8,692,350</u>                 | <u>21,138,004</u> |

The total amount of financial liabilities disclosed above excludes statutory payables (i.e. GST payable).

| <b>Chief entity</b><br>30 June 2026 | Weighted<br>average<br>effective<br>interest rate<br>% | Floating<br>interest rate<br>\$ | Fixed interest rate maturities |                    |                 | Non<br>interest<br>bearing<br>\$ | Total<br>\$       |
|-------------------------------------|--------------------------------------------------------|---------------------------------|--------------------------------|--------------------|-----------------|----------------------------------|-------------------|
|                                     |                                                        |                                 | 1 year or<br>less<br>\$        | 1 to 5 years<br>\$ | > 5 years<br>\$ |                                  |                   |
| <b>Assets</b>                       |                                                        |                                 |                                |                    |                 |                                  |                   |
| Cash and cash equivalents           | 4.25%                                                  | 13,624,132                      | -                              | -                  | -               | -                                | 13,624,132        |
| Financial assets                    | -                                                      | -                               | -                              | -                  | -               | 12,470,945                       | 12,470,945        |
| Term deposit                        | 4.25%                                                  | 17,242                          | -                              | -                  | -               | -                                | 17,242            |
| Receivables                         | -                                                      | -                               | -                              | -                  | -               | 194,401                          | 194,401           |
|                                     |                                                        | <u>13,641,374</u>               | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>12,665,346</u>                | <u>26,306,720</u> |
| <b>Liabilities</b>                  |                                                        |                                 |                                |                    |                 |                                  |                   |
| Trade and sundry payables           | -                                                      | -                               | -                              | -                  | -               | 1,825,848                        | 1,825,848         |
| Lease liability                     | -                                                      | -                               | -                              | -                  | -               | 1,029,640                        | 1,029,640         |
| Bank bills and overdraft            | -                                                      | -                               | -                              | -                  | -               | 328,485                          | -                 |
|                                     |                                                        | <u>-</u>                        | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>3,183,973</u>                 | <u>2,855,488</u>  |
| <b>Net financial assets</b>         |                                                        | <u>13,641,374</u>               | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>9,481,373</u>                 | <u>23,451,232</u> |

The total amount of financial liabilities disclosed above excludes statutory payables (i.e. GST payable).

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**Note 24. Financial risk management (continued)**

| Chief entity<br>30 June 2025 | Weighted<br>average<br>effective<br>interest rate | Floating            | Fixed interest rate maturities |                    |                 | Non                       | Total             |
|------------------------------|---------------------------------------------------|---------------------|--------------------------------|--------------------|-----------------|---------------------------|-------------------|
|                              | %                                                 | interest rate<br>\$ | 1 year or<br>less<br>\$        | 1 to 5 years<br>\$ | > 5 years<br>\$ | interest<br>bearing<br>\$ | \$                |
| <b>Assets</b>                |                                                   |                     |                                |                    |                 |                           |                   |
| Cash and cash equivalents    | 4.25%                                             | 8,590,176           | -                              | -                  | -               | -                         | 8,590,176         |
| Financial assets             | -                                                 | -                   | -                              | -                  | -               | 11,384,488                | 11,384,488        |
| Term deposit                 | 4.00%                                             | 3,797,829           | -                              | -                  | -               | -                         | 3,797,829         |
| Receivables                  | -                                                 | -                   | -                              | -                  | -               | 366,853                   | 366,853           |
|                              |                                                   | <u>12,388,005</u>   | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>11,751,341</u>         | <u>24,139,346</u> |
| <b>Liabilities</b>           |                                                   |                     |                                |                    |                 |                           |                   |
| Trade and sundry payables    | -                                                 | -                   | -                              | -                  | -               | 1,239,386                 | 1,239,386         |
| Lease liability              | -                                                 | -                   | -                              | -                  | -               | 1,334,570                 | 1,334,570         |
| Bank bills and overdraft     | -                                                 | -                   | -                              | -                  | -               | 314,517                   | -                 |
|                              |                                                   | <u>-</u>            | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>2,888,473</u>          | <u>2,573,956</u>  |
| Net financial assets         |                                                   | <u>12,388,005</u>   | <u>-</u>                       | <u>-</u>           | <u>-</u>        | <u>8,862,868</u>          | <u>21,565,390</u> |

The total amount of financial liabilities disclosed above excludes statutory payables (i.e. GST payable).

**Note 25. Segment reporting**

The Group operates predominantly in the one business and geographical segment, being in the private and public sector providing services to its members in respect of legal, employment and general industrial matters.

**Note 26. Contingent assets and liabilities**

The Group had no contingent assets or liabilities as at 30 June 2026 and 30 June 2025.

**Note 27. Commitments**

|                                                                        | Group            |                  | Chief Entity     |                  |
|------------------------------------------------------------------------|------------------|------------------|------------------|------------------|
|                                                                        | 2026<br>\$       | 2025<br>\$       | 2026<br>\$       | 2025<br>\$       |
| Future finance lease payments are payable as follows:                  |                  |                  |                  |                  |
| Within one year                                                        | 398,261          | 376,095          | 398,261          | 376,095          |
| After one year but not more than five years                            | 818,438          | 1,061,038        | 818,438          | 1,061,038        |
| More than five years                                                   | -                | -                | -                | -                |
| Gross lease payments                                                   | 1,216,699        | 1,437,133        | 1,216,699        | 1,437,133        |
| Less: future finance charges                                           | (187,059)        | (102,563)        | (187,059)        | (102,563)        |
| Lease liabilities                                                      | <u>1,029,640</u> | <u>1,334,570</u> | <u>1,029,640</u> | <u>1,334,570</u> |
| Future operating lease payments are payable as                         |                  |                  |                  |                  |
| Within one year (short term and low value leases excluded from AASB16) | -                | -                | -                | -                |
| After one year but not more than five years                            | -                | -                | -                | -                |
| More than five years                                                   | -                | -                | -                | -                |
| Total future operating commitments                                     | <u>-</u>         | <u>-</u>         | <u>-</u>         | <u>-</u>         |

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**Note 28. Controlled entities**

|                                                                         | Chief entity investment |              | Equity holding |            | Contribution to group profit |                  |
|-------------------------------------------------------------------------|-------------------------|--------------|----------------|------------|------------------------------|------------------|
|                                                                         | 2026                    | 2025         | 2026           | 2025       | 2026                         | 2025             |
|                                                                         | \$                      | \$           | %              | %          | \$                           | \$               |
| <b>Chief Entity</b>                                                     |                         |              |                |            |                              |                  |
| Association of Professional Engineers, Scientists & Managers, Australia | -                       | -            | -              | -          | 2,060,582                    | 1,418,636        |
| <b>Controlled entities</b>                                              |                         |              |                |            |                              |                  |
| APESMA Lawyers Pty Ltd                                                  | 10.00                   | 10.00        | 100            | 100        | -                            | -                |
| APESMA Insurance Services Pty Ltd                                       | 10.00                   | 10.00        | 100            | 100        | -                            | -                |
| Member Advantage Holdings Pty Ltd                                       | 0.75                    | 0.75         | 75             | 75         | (7,584)                      | 26,139           |
|                                                                         | <u>20.75</u>            | <u>20.75</u> | <u>275</u>     | <u>275</u> | <u>2,052,998</u>             | <u>1,444,775</u> |

**Note 29. Related party transactions**

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

Revenue received from controlled entities includes the following:

|                                   | Group |      | Chief Entity |      |
|-----------------------------------|-------|------|--------------|------|
|                                   | 2026  | 2025 | 2026         | 2025 |
|                                   | \$    | \$   | \$           | \$   |
| Member Advantage Holdings Pty Ltd |       |      |              |      |
| License fee                       | -     | -    | -            | -    |
| Service fee                       | -     | -    | -            | 368  |
| Profit distribution               | -     | -    | -            | -    |

Loans to/(from) controlled entities includes the following:

|                                   | Group |      | Chief Entity |         |
|-----------------------------------|-------|------|--------------|---------|
|                                   | 2026  | 2025 | 2026         | 2025    |
|                                   | \$    | \$   | \$           | \$      |
| APESMA Insurance Services Pty Ltd | -     | -    | 649,998      | 669,808 |
| Member Advantage Holdings         | -     | -    | -            | 5,000   |

Transactions with key management personnel have been disclosed in note 22.

Other amounts owed by related parties have been disclosed in Note 6. Other amounts owed to related parties have been disclosed in note 14.

There is no payment made to a former related party of the Reporting Unit.

**Terms and conditions**

All transactions were made on normal commercial terms and conditions and at market rates.

**Note 30. Business combinations**

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

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CONTROLLED ENTITIES**  
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**Note 30. Business combinations (continued)**

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

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

**Note 31. Section 272 Fair Work (Registered Organisations) Act 2009**

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

Information to be provided to members or the General Manager:

- (1) A member of a Reporting Unit , or the General Manager, 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).

## Officer Declaration Statement

I, Katie Havelberg, being the National President and Stuart Small, being the National Treasurer of the Association of Professional Engineers, Scientists & Managers, Australia, trading as Professionals Australia, declare that the following activities did not occur during the reporting period ending 30 June 2026.

The Reporting Unit did not:

- (a) pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- (b) have another entity administer the financial affairs of the Reporting Unit



K. Havelberg  
National President



S. Small  
National Treasurer

Dated: 22 September 2026  
West Melbourne, Victoria

Dated: 22 September 2026  
West Melbourne, Victoria