



15 September 2021

Peter Nelson
Treasurer
Australian Aircrew Officers Association
Sent via email: office@aoaaustralia.org
CC: anthony.spratt@troadpratt.com.au

Dear Peter Nelson,

**Australian Aircrew Officers Association
Financial Report for the year ended 31 March 2021 – (FR2021/21)**

I acknowledge receipt of the financial report for the year ended 31 March 2021 for the Australian Aircrew Officers Association. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 9 September 2021.

The financial report has now been filed.

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

Please note that the financial report for the year ending 31 March 2022 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report.

Non-compliance with previous requests

While we filed last year's financial report, we raised certain issues for the reporting unit to address in the preparation of future financial reports. I note that the same errors have appeared in the current report, namely:

- Disclosure requirements – AASB 15 Revenue with Contracts with Customers
- Disclosure requirements – AASB 1058 Income of Not-for-Profit Entities

The ROC aims to assist reporting units comply with their obligations under the RO Act and reporting guidelines by providing advice about the errors identified in financial reports. Please ensure that these errors are addressed in next year's report.

Reports must be provided to members at least 21 days before general meeting

Under section 265(5)(a) of the RO Act, where the report is presented to a general meeting of members, the report must be provided to members at least 21 days before that meeting. The

designated officer's certificate states that the financial report was provided to members on 23 July 2021, and presented to a general meeting of members on 2 August 2021.

If these dates are correct, the reporting unit only provided members the financial report eleven days before the general meeting.

Documents must be lodged with ROC within 14 days after general meeting

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the ROC within 14 days after the general meeting of members referred to in section 266.

The designated officer's certificate indicates that this meeting occurred on 2 August 2021. If this is correct the documents should have been lodged with the ROC by 16 August 2021.

The full report was not lodged until 9 September 2021.

It appears the Australian Aircrew Officers Association should have applied to the Commissioner for an extension of time to allow a longer period to lodge the required documents.

Please note that in future financial years if the Australian Aircrew Officers Association cannot lodge within the 14 day period prescribed, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made *prior to* the expiry of the 14 day period.

Financial Statements prepared on a liquidation basis

Note 1: Summary of Significant Accounting Policies within the Notes to the financial statements states that the "*financial statements have been prepared on a liquidation basis*" due to the decision by the reporting unit to cease operations by the end of the 2021 calendar year. However, this is not reflected in the Auditor Report. The Auditor Report under the subheading Opinion states that the "*management's use of the going concern basis in preparation of the financial statements of the registered association is appropriate.*"

Please ensure consistency of information in future financial reports.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0841 or by email at Mihiri.jayawardane@roc.gov.au.

Yours sincerely,



Mihiri Jayawardane
Registered Organisations Commission

Australian Aircrew Officers Association
ABN 48 848 227 235
Financial Report for the Year Ended 31 March 2021

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**Members of the Australian Aircrew Officers Association
ABN 48 848 227 235**

**Independent Auditor's Report to the Members of the Australian Aircrew
Officers Association**

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Australian Aircrew Officers Association (the association), which comprises the statement of financial position as at 31 March 2021, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year ended 31 March 2021, notes to the financial statements, including a significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and the officer declaration statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Aircrew Officers Association as at 31 March 2021, and its financial performance and its cash flows for the year ended on that date in accordance with:

- i. the Australian Accounting Standards; and
- ii. 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).

I declare that management's use of the going concern basis in the preparation of the financial statements of the registered association is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the registered association 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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.

My 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 my audit of the financial report, my responsibility is to read the

Independent Auditor's Report to the Members of the Australian Aircrew Officers Association

other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Registered Organisation Act, and for such internal control as the Committee of Management determines 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 association'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 intends to liquidate the registered association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

My 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 my 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.

As part of an audit in accordance with the Australian Auditing Standards I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.

Independent Auditor's Report to the Members of the Australian Aircrew Officers Association

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
 - Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the association to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the association's audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I declare that I am 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, I am 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.

My opinion on this financial report is not modified in respect of the following matter because, in my opinion, it has been appropriately addressed by the association in Note 2 to the financial statements and is not considered material in the context of the audit of the financial report as a whole:

- a) Events Subsequent to the End of the Reporting Period

Trood Pratt Audit & Assurance Services Pty Ltd
TROOD PRATT AUDIT AND ASSURANCE SERVICES PTY LTD

A. Spratt

A J SPRATT
Director
Registration Number AA2017/50

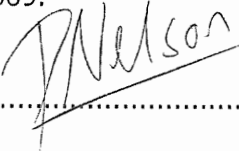
Dated at Sydney this 20th day of July, 2021

Australian Aircrew Officers Association
ABN 48 848 227 235

Certificate By Prescribed Designated Officer
Certificate for the Year Ended 31 March 2021

I Peter Lindesay Nelson being the Treasurer of the Australian Aircrew Officers Association certify:

- that the documents lodged herewith are copies of the full report for the Australian Aircrew Officers Association for the year ended 31 March 2021 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the association on 23 Jul 2021 ; and
- that the full report was presented to a general meeting of members of the Australian Officers Association on 2 Aug 2021 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:.....

Name of prescribed designated officer: Peter Lindesay Nelson

Title of prescribed designated officer: TREASURER

Dated: 2 Aug 2021

Australian Aircrew Officers Association
ABN 48 848 227 235

Report Required Under Subsection 255 (2)
For the Year Ended 31 March 2021

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the association for the year ended 31 March 2021.

Categories of expenditures	2021 \$	2020 \$
Remuneration and other employment-related costs and expenses - employees	-	-
Advertising	-	-
Operating costs	-	-
Donations to political parties	-	-
Legal costs	22,030	66,403



Signature of prescribed designated officer:.....

Name and title of designated officer: Peter Lindesay Nelson
TREASURER

Dated: 19 July 2021

Australian Aircrew Officers Association
ABN 48 848 227 235

Operating Report
For the Year Ended 31 March 2021

The committee of management presents its operating report on the Australian Aircrew Officers Association for the year ended 31 March 2021.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities of the association during the financial year were to preserve and enhance the professional and contract standards and security of its members. No significant change in the nature of these activities occurred during the year.

Significant changes in financial affairs

No significant changes in financial affairs occurred during the year.

Right of members to resign

A member of the Australian Aircrew Officers Association may resign from membership by notice in writing addressed to the secretary of the Association.

There were no officers or members of the association who are trustees of the superannuation fund or held any position include director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Number of members

At the end of the financial period Australian Aircrew Officers Association had 120 financial members.

Number of employees

There are no staff employed by the Australian Aircrew Officers Association.

Operating Report
For the Year Ended 31 March 2021

Names of General Committee of Management members and period positions held during the financial year

Name	Position	Dates Held
David Allen Saunders	Chairman	1 April 2020 to 31 March 2021
Ian Andrew Turner	Deputy Chairman	01 April 2020 to 31 March 2021
Peter Lindesay Nelson	Treasurer	1 April 2020 to 31 March 2021
Travis Gibson	Secretary	1 April 2020 to 17 March 2021
Earp, Stephen	General Committee Member	1 April 2020 to 31 March 2021
	Secretary	17 March 2021 to 31 March 2021
Justin Robson	General Committee Member	1 April 2020 to 31 March 2021
Stephen Coote	General Committee Member	1 April 2020 to 31 March 2021

Signature of designated officer:.....

Name and title of designated officer: Peter Lindesay Nelson TREASURER

Dated: 19 July 2021

Committee of Management Statement
For the Year Ended 31 March 2021

On 31 May 2021, the Committee of Management of the Australian Aircrew Officers Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 March 2021:

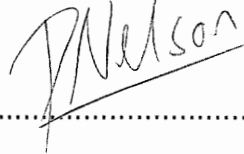
The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of the 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 association for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the association have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the association 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 association 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 association or Commissioner duly made under section 272 of the RO Act that information has been provided to the member or Commissioner; 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.

**Australian Aircrew Officers Association
ABN 48 848 227 235**

**Committee of Management Statement
For the Year Ended 31 March 2021**

This declaration is made in accordance with a resolution of the Committee of Management.



Signature of designated officer:.....

Name of prescribed designated officer: Peter Lindesay Nelson

Title of prescribed designated officer: Treasurer

Dated: 31 May 2021

Statement of Comprehensive Income
For the Year Ended 31 March 2021

	Note	2021	2020
		\$	\$
Membership subscriptions	3A	48,096	379,382
Other income	3G	34,295	160,908
HKAOA service fee	4C	(41,716)	(304,946)
Administration expenses	4D	(8,217)	(89,426)
Grants or donations	4E	-	-
Legal costs	4F	(22,030)	(66,403)
Other expenses	5	(5,953)	(5,693)
Surplus before income tax		4,475	73,822
Income tax expense		-	-
Surplus for the year		4,475	73,822
Other comprehensive income:		-	-
Total comprehensive income for the year		4,475	73,822
Total comprehensive income for the year		4,475	73,822

The accompanying notes form part of these financial statements.

Statement of Financial Position
As At 31 March 2021

	Note	2021	2020
		\$	\$
Assets			
Current Assets			
Cash and cash equivalents	6	556,912	591,885
Trade and other receivables	7	1,458	28,236
Total Current Assets		558,370	620,121
Total Non-Current Assets		-	-
Total Assets		558,370	620,121
Liabilities			
Current Liabilities			
Trade and other payables	8	17,446	83,672
Total Current Liabilities		17,446	83,672
Total Non-Current Liabilities		-	-
Total Liabilities		17,446	83,672
Net Assets		540,924	536,449
Equity			
Retained surplus		540,924	536,449
Total Equity		540,924	536,449

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 31 March 2021

	Retained Surplus \$
Closing balance as at 31 March 2019	462,627
Profit for the year	73,822
Other comprehensive income for the year	<u>-</u>
Closing balance at 31 March 2020	<u>536,449</u>
Profit for the year	
Other comprehensive income for the year	<u>4,475</u>
Closing balance at 31 March 2021	<u>540,924</u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 31 March 2021

	Note	2021	2020
		\$	\$
<u>Cash Flow From Operation Activities</u>			
Contributions (from members) received		111,532	548,042
Payments to suppliers and service providers		<u>(146,505)</u>	<u>(412,717)</u>
Net cash provided by operating activities	12A	<u>(34,973)</u>	<u>135,325</u>
Net increase in cash held		(34,973)	135,325
Cash at beginning of financial year		<u>591,885</u>	<u>456,560</u>
Cash and cash equivalents at the end of the reporting period	6	<u>556,912</u>	<u>591,885</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that 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. For the purpose of preparing the general purpose financial statements, the Australian Aircrew Officers Association is a not-for-profit entity.

The financial statements have been prepared on a liquidation basis as the company that employs the members of Australian Aircrew Officers Association closed its operations in Australia in May 2021. All members will leave the Association in Australia and join the Hong Kong Branch or leave the Australian Association with a redundancy package. Once all members have left and all "winding-up" procedures have been followed the Association will be closed down. It is anticipated at this point there will be excess funds available which will be distributed to members in accordance with the Association rules. The financial statements are presented in Australian dollars.

Accounting Policies

a) Revenue

The association enters into various arrangements where it receives consideration from another party. These arrangements include in the form of membership subscriptions.

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 Australian Aircrew Officers Association.

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

For member subscriptions paid annually in advance, the association 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 goods or services will transfer to the customer will be one year or less.

Interest income

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

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 1: Summary of Significant Accounting Policies (continued)

b) Trade and Other payables

Trade and other payables represent the liability outstanding at the end of the reporting year for goods and services received by the association during the reporting year, which remain unpaid. The balances are recognised as a current liability and the amounts are normally paid within 30 days of recognition of the liability.

(c) Income Tax

The entity is exempt from Income Tax under section 50.1 of the Income Tax Assessment Act 1997.

d) Cash and Cash Equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

e) Service Agreement with the Hong Kong Aircrew Officers Association (HKAOA)

The association has a service agreement with HKAOA to provide administrative services, advice, information, research and data to Australian Aircrew Officers Association. HKAOA charge Australian Aircrew Officers Association 80% of membership fees collected.

f) Trade and Other Receivables

Trade and other receivables include amounts due from members for goods and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

g) Goods and Services Tax (GST)

Revenues and expenses and assets are inclusive of the amount of GST as the association is not registered for GST with Australian Taxation Office (ATO).

h) 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.

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 1: Summary of Significant Accounting Policies (continued)

i) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

j) Employee Benefits

There were no employees during the financial year.

k) Financial Instruments

Impairment

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per previous standard applicable (AASB 139).

A simple approach is followed in relation to trade receivables, as the loss allowance is measured at lifetime expected credit loss.

The association reviewed and assessed the existing financial assets during the financial period. The assessment was done to test the impairment using reasonable and supportable information that was available to determine the credit risk.

l) Comparative Amounts

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

m) Going Concern

Australian Aircrew Officers Association is not reliant on any financial support from another reporting unit. The financial report is prepared on a liquidation basis as the Association will cease operations by the end of the 2021 calendar year. Refer Note 2: Events Subsequent to the End of the Reporting Period.

n) New and Amended Accounting Policies Adopted by the Association

The accounting policies adopted are consistent with those of the previous financial year except for the following accounting standards and amendments, which have been adopted for the first time this financial year.

- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material adopted on 1 April 2020.
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework adopted on 1 April 2020 and has no impact.

AASB 2018-6 Amendments to Australian Accounting Standards - Definition of a Business adopted on 1 April 2020 and has no impact.

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 1: Summary of Significant Accounting Policies (continued)

n) New and Amended Accounting Policies Adopted by the Association (continued)

Impact on adoption of AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Australian Aircrew Officers Association.

o) Critical Accounting Estimates and Judgements

Impairment – general

The association assesses impairment at the end of the reporting period by evaluating the conditions and events specific to the association that may be indicative of impairment triggers.

Note 2: Events Subsequent to the End of the Reporting Period

In May 2021, the company that employed the members of Australian Aircrew Officers Association, resolved to close its operations in Australia. Accordingly, all members of the Australian Aircrew Officers Association will either leave the Association in Australia and join the Hong Kong Branch or leave the Australian association with a redundancy package. Once all members have left the Association and all "winding-up" procedures have been completed the Association will be closed down. This closure is anticipated to be before the end of the 2021 calendar year. It is anticipated at the date of signing this financial report there will be excess funds available which will be distributed to members in accordance with the rules of the Association.

Notes to the Financial Statements
For the Year Ended 31 March 2021

	2021	2020
	\$	\$
<u>Note 3: Income</u>		
Note 3A: Membership fees	<u>48,096</u>	<u>379,382</u>
A disaggregation of revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. All membership fees are received from members.		
Note 3B: Capitation fees and other revenue from another reporting unit	<u>-</u>	<u>-</u>
Note 3C: Levies	<u>-</u>	<u>-</u>
Note 3E: Grants and/or donations		
Grants	-	-
Donations	-	-
Note 3F: Recovery of wages activity		
Revenue from recovery of wages activity	-	-
Note 3G: Other income		
Reimbursement of expenses by HKAOA	<u>34,295</u>	<u>160,908</u>
	<u>34,295</u>	<u>160,908</u>
Total revenue	<u>82,391</u>	<u>540,290</u>
<u>Note 4: Expenses</u>		
Note 4A : Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>-</u>	<u>-</u>
Employee other than office holders:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expense employees and other than office holders	<u>-</u>	<u>-</u>
Total employee expenses	<u>-</u>	<u>-</u>

Notes to the Financial Statements
For the Year Ended 31 March 2021

	2021	2020
	\$	\$
Note 4B: Capitation fees and other expense to another reporting unit	<u>-</u>	<u>-</u>
Note 4C: Affiliation fees		
Affiliation fees paid to Hong Kong Australian Officers Association (HKAOA)	<u>41,716</u>	<u>304,946</u>
Note 4D: Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances – meeting and conference	-	-
Conference and meeting expenses	-	1,592
Bank charges	198	302
Insurance	3,225	3,088
Membership survey expenses	-	-
Training expenses	-	2,397
HIMS	-	6,011
Doubtful debts	1,459	-
Negotiation	2,903	73,566
Consulting	432	2,139
Other expenses	-	331
Total administration expense	<u>8,217</u>	<u>89,426</u>
Note 4E: Grants or donations		
Grants	-	-
Donations:		
Total expensed that exceeded \$1,000	-	-
Total grants or donations	<u>-</u>	<u>-</u>
Note 4F: Legal costs		
Litigation	-	-
Other legal matters	22,030	66,403
Total legal costs	<u>22,030</u>	<u>66,403</u>
Note 4G: Other expenses		
Penalties – via RO Act RO Regulations	<u>-</u>	<u>-</u>
Note 5: Auditor's fees		
Remuneration of the auditor of the association for:		
Auditing or reviewing the financial report	<u>5,953</u>	<u>5,693</u>

Notes to the Financial Statements
For the Year Ended 31 March 2021

	2021	2020
	\$	\$
<u>Note 6: Cash and cash equivalents</u>		
Cash at bank	<u>556,912</u>	<u>591,885</u>

<u>Note 7: Trade and other receivables</u>		
Receivable from other reporting unit	-	-
Subscription receivable	2,917	28,236
Less: allowance for expected credit loss	<u>(1,459)</u>	<u>-</u>
Total trade and other receivables	<u>1,458</u>	<u>28,236</u>

Provision for impairment in receivables

Movement in the allowance for expected credit losses of trade and other receivables is as follows:

Opening balance	-	-
Charge for the year	1,459	-
Amounts written off	<u>-</u>	<u>-</u>
Closing balance	<u>1,459</u>	<u>-</u>

Credit Risk

The association has no significant concentrations of credit risk to any single counterparty or group of counterparties.

<u>Note 8: Trade and other payables</u>		
Sundry creditors and accruals	13,361	83,409
Subscriptions received in advance	<u>4,085</u>	<u>263</u>
	<u>17,446</u>	<u>83,672</u>
Payable to other reporting unit	<u>-</u>	<u>-</u>
Total trade payables	<u>17,446</u>	<u>83,672</u>

Settlement is usually made within 30 days.

**Notes to the Financial Statements
 For the Year Ended 31 March 2021**

Note	2021 \$	2020 \$
<u>Note 9: Other payables</u>		
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs	-	-
Litigation and Other legal costs	-	-
Total other payables	-	-
<u>Note 10: Provisions</u>		
Employee provisions		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions-office holders	-	-
Employee other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions-employees other than office holders	-	-
Total employee provisions	-	-
Current	-	-
Non-Current	-	-
Total employee provisions	-	-
<u>Note 11: Equity</u>		
Note 11B: Other specific disclosures - funds		
Compulsory levy/voluntary contribution fund – if invested in assets	-	-
Other funds required by rules	-	-
Balance at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of the year	-	-

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

	Note	2021 \$	2020 \$
<u>Note 12: Cash flow</u>			
Note 12A: Cash flow reconciliation			
Reconciliation of cash and cash equivalents as per balance sheet to cashflow statement			
Cash and cash equivalents as per:			
Cash flow statement		556,912	591,885
Balance sheet		556,912	591,885
Difference		-	-
 Reconciliation of net cash inflow from operating activities to operating profit			
Profit for the year		4,475	73,822
Adjustments for non-cash items			
Doubtful debts		1,459	-
Changes in assets and liabilities			
Decrease in receivables		25,319	7,717
(Decrease)/increase in payables		(70,048)	53,751
Increase in income in advance		3,822	35
Net cash provided by operating activities		(34,973)	135,325
 Note 12B: Cash flow information			
Cash inflows from reporting unit/controlled entity		-	-
Total cash inflows		-	-
Cash outflows from reporting unit/controlled entity		-	-
Total cash outflows		-	-

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 13: Contingent liabilities and contingent assets

The general committee are not aware of any significant contingent liabilities and contingent assets that exist since the end of the reporting year.

Note 14: Capital and leasing commitments

There were no capital and leasing commitments at the end of the financial year.

Note	2021	2020
	\$	\$

Note 15: Related party disclosures

**Note 15B: related party transactions
for the reporting period**

Income - Reimbursement of expenses by Hong Kong Aircrew Officers Association to cover legal costs, negotiation expenses and insurance

<u>34,295</u>	<u>160,908</u>
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Expenses paid to Hong Kong Aircrew Officers Association to provide administrative services, advice, information, research and data.

<u>41,716</u>	<u>304,946</u>
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Amounts owed to Hong Kong Aircrew Officers Association (including in sundry creditors and accruals)

<u>7,421</u>	<u>77,717</u>
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The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the yearend are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the Australian Aircrew Officers Association has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2020: \$nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 16: Financial instruments

The association's financial instruments consist mainly of deposits with bank, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139: Financial Instruments: Recognition and Measurement as detailed in the accounting policies to these financial statements are as follows:

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 16: Financial instruments (continued)

Financial assets

	Note	2021	2020
		\$	\$
Cash on hand		556,912	591,885
Accounts receivables and other debtors		1,458	28,236
		<u>558,370</u>	<u>492,513</u>

Financial liabilities

Accounts payable and other payables		17,446	83,672
		<u>17,446</u>	<u>83,672</u>

Financial Risk Management Policies

The association's Treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The treasurer monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held yearly and minuted by the committee of management.

The Treasurer's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flows shortfalls.

Specific Financial Risk Exposures and Management

The main risk the association is exposed to through the financial instruments are credit risk, liquidity risk, and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of the risks the association is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing the measuring the risks from the previous period.

a. **Credit risk**

Exposures to credit risk relating to the financial assets arises from the potential non-performance by members not paying their membership that could lead to a financial loss to the association.

Credit risk is managed through maintaining procedures (such as monitoring and collections of memberships within two weeks of salary paid) ensuring, to the extent possible that the members are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise assessed as being financially sound.

Credit risk exposures

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 16: Financial instruments (continued)

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the association securing accounts receivables and other debtors.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality.

The association has no significant concentrations of credit risk with any single counterparty or group of counterparties.

	Note	2021 \$	2020 \$
Cash on hand			
- AA rated		<u>556,912</u>	<u>591,885</u>

b. Liquidity risk

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The association manages its risk through the following mechanisms:

- Preparing forward-looking cash flows analysis in relation to its operational, investing and financing activities;
- Only investing surplus cash with major financial institutions; and
- Proactively monitoring the recovery of unpaid subscriptions.

Specific Financial Risk Exposures and Management

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The association does not hold directly any derivative financial liabilities.

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 16: Financial instruments (continued)

Financial liability and financial assets maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Accounts payable and other payables	17,446	83,672	-	-	-	-	17,446	83,672
Total contractual outflows	17,446	83,672	-	-	-	-	17,446	83,672
Total expected outflows	17,446	83,672	-	-	-	-	17,446	83,672
Financial assets – cash flow realisable								
Cash on hand	556,912	591,885	-	-	-	-	556,912	591,885
Accounts receivable and other debtors	1,458	28,236	-	-	-	-	1,458	28,236
Total anticipated inflows	558,370	620,121	-	-	-	-	558,370	620,121
Net inflow on financial instruments	558,370	620,121	-	-	-	-	558,370	620,121

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 16: Financial instruments

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability.

c. Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The association is exposed to earning volatility on floating rate instruments. The financial instruments that expose the association to interest rate risk is nil.

The association also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

(ii) Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The association is not exposed to other price risk as they do not have any available-for-sale investments.

Sensitivity analysis

The following table illustrates sensitivities to the association's exposure to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is dependent of other variables.

Year ended 31 March 2021	Current surplus	Equity
	\$	\$
+/- 2% interest rates	+/- nil	+/- nil
+/- 10% in available-for-sale-investments	+/- nil	+/- nil

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 16: Financial instruments (continued)

Year ended 31 March 2020	Current surplus \$	Equity \$
+/- 2% interest rates	+/- nil	+/- nil
+/- 10% in available-for-sale-investments	+/- nil	+/- nil

No sensitivity analysis has been performed on foreign exchange risk as the association has no significant exposure to currency risk.

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Note 17: Fair value measurement

Financial assets and liabilities

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position. Refer below for detailed disclosures regarding the fair value measurement of the association's financial assets.

	2021		2020	
	Carrying Amount \$	Fair Value \$	Carrying Amount \$	Fair Value \$
Financial assets				
Cash on hand	556,912	556,912	456,560	456,560
Accounts receivable and other debtors	1,458	1,458	35,953	35,953
Total financial assets	<u>558,370</u>	<u>558,370</u>	<u>492,513</u>	<u>492,513</u>

	2021		2020	
	Carrying Amount \$	Fair Value \$	Carrying Amount \$	Fair Value \$
Financial liabilities				
Accounts payable and other payables	17,446	17,446	83,672	83,672
Total financial assets	<u>17,446</u>	<u>17,446</u>	<u>83,672</u>	<u>83,672</u>

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note 17: Financial value measurement (continued)

- (i) Cash on hand, accounts receivables and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value.

The association measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Available-for-sale financial assets

The association does not have any available-for-sale financial assets at 31 March 2021 (2020: nil).

Note 18: Key management personnel remuneration

No payments were made to any management personnel and their close family members during the year (2020: nil).

Note 19: Economic dependence

The Association's activities are largely funded by membership subscriptions.

Note 20: 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 Commissioner:

- (1) A member of an Australian Aircrew Officers Association (association) may apply to the association for specified prescribed information in relation to the association 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 association.
- (3) The association must comply with an application made under subsection (1).

Notes to the Financial Statements
For the Year Ended 31 March 2021

Note	2021	2020
	\$	\$
<u>Note 21: Administration of Financial Affairs by A Third Party</u>		
Name of entity providing service: Hong Kong Aircrew Officers Association (HKAOA)		
Terms and conditions: Australian Aircrew Officers Association (AAOA) will pay HKAOA rate of 1% of basic salary for each full member of AAOA. HKAOA to provide administrative services, advice, information, research and data to AAOA. Additionally, HKAOA will fund subject to specific approval, professional and legal services necessary for Collective representation in Australia.		
Detailed breakdown of revenues collected and/or expenses incurred		
Revenue		
Reimbursement of expenses		
- Surveys and consultation	432	2,139
- HIMS	-	6,011
- Legal fees	22,030	66,403
- General committee expense	-	995
- Union negotiation	2,903	73,566
- Training	-	2,397
- Audit	5,705	5,445
- Insurance	3,225	3,088
- Others	-	864
Total revenue	<u>34,295</u>	<u>160,908</u>
Expense		
Service charge	<u>41,716</u>	<u>304,946</u>

Note 22: Association details

The registered office of the association and principal place of business is:

Australian Aircrew Officers Association
5/F Daily House, 35-37 Haiphong Road
Tsim Sha Tsui, Kowloon
Hong Kong

For the Year Ended 31 March 2021

OFFICER DECLARATION STATEMENT

I, Peter Lindesay Nelson being the Treasurer of the Australian Aircrew Officers Association declare that the following activities did not occur during the reporting period ending 31 March 2021. The association did not:

- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- 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 an organisation, a determination or revocation by the General Manager, Fair Work Commission
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- provide cashflows to another reporting unit and/or controlled entity
- receive cashflows from another reporting unit and/or controlled entity
- make a payment to a former related entity of the reporting unit

Signed by the officer:

Dated: 19 Jul 2021

A handwritten signature in black ink that reads "P. Nelson". The signature is written in a cursive style and is underlined with a single horizontal line.

OFFICER AND RELATED PARTY DISCLOSURE STATEMENT in accordance with Section 293J Fair Work (Registered Organisations) Act 2009

I, Peter Lindesay Nelson, being the Treasurer of the Australian Aircrew Officers Association, declare the following Officer and Related Party Disclosure Statement.

Organisation Name	Australian Aircrew Officers Association	Branch Name	NIL
Financial year start date	1 Apr 2020	Financial year end date	31 Mar 2021

Top Five Rankings of Officers – Relevant remuneration and non-cash benefits

When all officers in the Australian Aircrew Officers Association are ranked by relevant remuneration for the financial year, the following officers are ranked no lower than fifth:

Full Name	Office (e.g. Secretary)	Actual Amount of Relevant Remuneration	Value of Relevant non-cash benefits	Form of relevant non- cash benefits (e.g. car)
1. NIL		\$	\$	
2. NIL		\$	\$	
3. NIL		\$	\$	
4. NIL		\$	\$	
5. NIL		\$	\$	

- No officers in the branch received relevant remuneration from the branch/organisation, any relevant boards or related parties.
- None of the officers listed above received non-cash benefits from the branch/organisation.

**Relevant Remuneration:**

Section 293BC defines relevant remuneration to include any remuneration paid, during the financial year, to the officer by the organisation or branch AND any remuneration disclosed by the officer to the organisation or branch. These disclosures are made under s. 293B and must include remuneration paid to the officer

- because the officer is a member of a board only because they are an officer of the organisation/branch OR they were nominated for the board by the organisation, branch or peak council, or
- by a related party of the organisation/branch in connection with the performance of the officer's duties as an officer.

Relevant non-cash benefits:

Section 293BC defines relevant non-cash benefits as any non-cash benefits provided to an officer, at any time during the financial year, in connection with the performance of the officer's duties as an officer by the organisation, branch or a related party of the organisation/branch. Non-cash benefits include property and services but not a computer, mobile phone or other electronic device used only or mainly for work purposes.

For further information on definitions and these requirements please see our [Disclosure Obligations Page](#) or our [Fact Sheets page](#)


Payments to related parties and declared persons or bodies

During the financial year, the [ORGANISATION OR BRANCH] made the following payments to related parties or declared persons or bodies. The details of these payments are included below. This list does not include payments that have been exempted from disclosure under section 293G.

Date	Name	Nature of relationship (e.g company owned by Secretary)	Purpose of payment (e.g. catering)	Amount	Other relevant details
	NIL			\$	
	NIL			\$	
	NIL			\$	
	NIL			\$	
	NIL			\$	
	NIL			\$	
	NIL			\$	

The branch/organisation did not make any payments to related parties or declared persons or bodies that are required to be disclosed.

Signed by the officer:

 PETER LINDESA Y NELSON.

Dated: 20 May 2021

[PLEASE NOTE: The Officer and Related Party Disclosure Statement must be provided to members and a copy lodged with the Registered Organisations Commission (ROC) within 6 months of the end of the financial year. It can be lodged with the ROC by emailing to regorgs@roc.gov.au. ALL BRANCHES are required to lodge an Officer and Related Party Disclosure Statement.]