



14 November 2024

John Pavlou
Secretary
Australian and International Pilots Association

Sent via email: office@aipa.org.au

CC: vincent.poon@hayesknight.com.au

Dear John Pavlou

**Australian and International Pilots Association
Financial Report for the year ended 30 June 2024 – FR2024/149**

I acknowledge receipt of the financial report for the year ended 30 June 2024 for the Australian and International Pilots Association (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 14 November 2024.

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

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 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 next year's financial report may be subject to an advanced compliance review.

Reporting Requirements

The Commission's 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 Commission 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 is available via [this link](#).

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission



Australian and International Pilots Association and Controlled Entity

Financial Statements 2023-2024

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION AND CONSOLIDATED ENTITY

Report on the Audit of the Financial Report

Opinion

I have audited the consolidated financial report of Australian and International Pilots Association and Consolidated Entity (the Reporting Unit), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 30 June 2024, notes to the financial statements, including a summary of 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 and International Pilots Association and Consolidated Entity as at 30 June 2024, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) The Australian Accounting Standards; and
- b) 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 Reporting Unit is appropriate.

Basis of 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 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 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 I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the 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 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

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 my 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 Reporting Unit's internal control.
- 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 Reporting Unit'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 my auditor's report. However, future events or conditions may cause the Reporting Unit 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 Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.



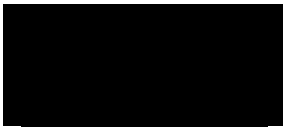
I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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.

In my opinion, no such matters were noted.



Vincent Poon - Director Audit Services
Registered Company Auditor - Registration Number AA2018/23

Dated at Sydney, this 17th of October 2024

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2024**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Association for the year ended 30 June 2024.

Categories of expenditures	2024	2023
	\$	\$
Remuneration and other employment-related costs and expenses - employees	2,192,456	1,989,779
Advertising	-	-
Operating costs	2,110,713	1,403,595
Donations to political parties	-	-
Legal costs	505,242	396,115



Signature of prescribed designated officer: _____

Name of prescribed designated officer: John Pavlou

Title of prescribed designated officer: Secretary

Dated this 8 day of October 2024

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

The Committee of Management presents its report on the Association for the financial year ended 30 June 2024.

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 reporting period were to provide industrial and organising services to the members consistent with the objects of the Association and particularly the object of protecting and improving the interests of the members.

The Association's principal activities resulted in maintaining and improving the wages and conditions of employment of the membership.

There were no significant changes in the nature of the Association's principal activities during the reporting period.

Significant changes in financial affairs

The Association incurred a net surplus of \$956,702 for the year.

Right of members to resign

Members may resign from the Association in accordance with rule 48, which reads as follows:

a) A member may resign from membership by written notice addressed to the Secretary and posted or delivered to that officer or the person performing the duties of that officer at the registered office of the Organisation.

b) Where a member ceases to be eligible to be a member of the Organisation, the notice of resignation shall take effect:

- (i) on the day on which the notice is received by the Organisation; or
- (ii) on the day specified in the notice, which is the day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later.

c) In any case a member's notice of resignation shall take effect:

- (i) at the end of two weeks after the notice is received by the Organisation;
- (ii) or on the day specified in the notice;

whichever is later;

d) Any dues payable but not paid by a former member, in relation to the period before the member's resignation from the Organisation took effect, may be sued for and recovered in the name of the Organisation, in a court of competent jurisdiction, as a debt due to the Organisation.

e) A notice delivered to the person nominated in (a) above shall be taken to have been received by the Organisation when it was delivered.

f) A notice of resignation that has been received by the Organisation is not invalid because it was not addressed and delivered in accordance with (a) above.

g) A resignation from membership is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Organisation that the resignation has been accepted.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

Officers or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

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

Number of members

The number of persons who, at the end of the reporting period, were recorded on the Register of Members of the Association was 2,334 (2023: 2,234).

Number of employees

The number of persons who were, at the end of the reporting period, employees of the Association was 24 (2023: 15) as measured on a full-time equivalent basis.

Names of Committee of Management members and period positions held during the financial year ended 30 June 2024

Surname	Name	Attended	Held	Office bearer position
Arthur	Darren	3	16	
Beer	Corey	12	16	
Brown	Cathy	12	16	
Busby	Theron	4	16	Vice President ('A' Pilots)
Chetelat	Nicolas	5	16	
Cornell	Steven	9	16	
Doran	Christopher	11	16	
Gill	Ryan	1	16	
Gould	Simon	3	16	Vice President (Group Airlines)
Herson	Eytan	9	16	
Hewett	Chris	15	16	
Hofmeyer	Mark	12	16	Vice President
Holt	David	11	16	
Hunter	Glen	13	16	Treasurer
Ince	Shane	15	16	
Jackson	Barry	10	16	
Lipson	Jason	13	16	Vice President
Loney	Shane	11	16	
Lucas	Tony	14	16	President
Marshall	Andrew	9	16	
Massey-Greene	James	14	16	
Moir	Jack	7	16	
Pavlou	Greg	16	16	
Pavlou	John	15	16	Secretary
Peatfield	Philip	5	16	Vice President
Roche	Stewart	10	16	
Ruedegger	Marc	12	16	
Salt	Adrian	13	16	
Smith	Benjamin	8	16	
Smith	Matthew	4	5	(Resigned on 11 October 2023)
Smith	Shane	9	11	(Appointed on 7 November 2023)
Stahl	Andrew	8	16	
Taylor	Andrew	9	16	

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

Surname	Name	Attended	Held	Office bearer position
Turton	Jason	8	16	
Watling	Chris	6	16	
Winslow	Alex	13	16	Assistant Secretary
Wirth	James	10	16	

Unless otherwise specified, all other committee members and office bearers held their positions for the entire financial year.

Name title and signature of designated officer/s who prepared this report:



Tony Lucas, President
Dated: 8 October 2024



Glen Hunter, Treasurer
Dated: 8 October 2024

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024**

On 8 October 2024 the Committee of Management of the Australian and International Pilots Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2024:

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 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;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the Association have been managed in accordance with the rules of the organisation; 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 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 Association or 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 passed by the Committee of Management of the Association at its meeting dated 8 October 2024.

Signature of designated officer:



Name and title of designated officer:

John Pavlou, Secretary

Dated this 8 October

2024

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 \$	2023 \$
Revenue from contracts with customers	3		
Membership subscriptions		5,375,894	4,518,427
Capitation fee and other revenue from another reporting unit	3A	-	-
Compulsory levies	3B	-	-
Revenue from recovery of wages activity	3C	-	-
Total revenue from contracts with customers		5,375,894	4,518,427
Income for furthering objectives	3		
Grants and/or donations	3D	-	-
Income recognised from volunteer services	3E	-	-
Total income for furthering objectives		-	-
Other income			
Interest received on bank deposits	3F	250,588	150,354
Other income	3G	305,381	536
Total other income		555,969	150,890
Total income		5,931,863	4,669,317
Expenses			
Employee expenses	4A	2,192,456	1,989,779
Capitation fees and other expense to another reporting unit	4B	-	-
Affiliation fees	4C	86,212	79,383
Administration expenses	4D	1,980,251	1,220,656
Grants or donations	4E	8,750	68,736
Depreciation and amortisation	4F	166,750	197,469
Legal costs	4G	505,242	396,115
Audit fees	16	35,500	34,820
Other expenses	4H	-	-
Total expenses		4,975,161	3,986,958
Surplus for the year		956,702	682,359
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss:			
- Asset revaluation increment		-	383,003
Total comprehensive income for the year		956,702	1,065,362

The above statement should be read in conjunction with the notes.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024**

	Notes	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	10,200,609	9,489,205
Trade and other receivables	6	144,394	114,533
Other current assets	7	110,669	47,437
TOTAL CURRENT ASSETS		10,455,672	9,651,175
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,845,533	1,841,201
TOTAL NON-CURRENT ASSETS		1,845,533	1,841,201
TOTAL ASSETS		12,301,205	11,492,376
LIABILITIES			
CURRENT LIABILITIES			
Trade payables	9	1,272,429	1,182,485
Other payables	10	108,934	193,854
Provisions - employee benefits	11	189,887	328,121
TOTAL CURRENT LIABILITIES		1,571,250	1,704,460
NON-CURRENT LIABILITIES			
Provisions - employee benefits	11	54,423	69,086
TOTAL NON-CURRENT LIABILITIES		54,423	69,086
TOTAL LIABILITIES		1,625,673	1,773,546
NET ASSETS		10,675,532	9,718,830
EQUITY			
General funds	13A	10,292,529	9,335,827
Reserve	13B	383,003	383,003
TOTAL EQUITY		10,675,532	9,718,830

The above statement should be read in conjunction with the notes

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024**

	Asset revaluation reserve \$	General funds \$	Total \$
Balance as at 1 July 2022	-	8,653,468	8,653,468
Surplus for the year	-	682,359	682,359
Other comprehensive income	383,003	-	383,003
Balance as at 30 June 2023	383,003	9,335,827	9,718,830
Surplus for the year	-	956,702	956,702
Other comprehensive income	-	-	-
Balance as at 30 June 2024	383,003	10,292,529	10,675,532

The above statement should be read in conjunction with the notes.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 \$	2023 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from members and others		6,189,068	4,847,451
Interest		187,356	45,615
Receipts from other reporting units	12(b)	-	-
		<u>6,376,424</u>	<u>4,893,066</u>
Cash used			
Payments to employees		(2,192,456)	(1,989,779)
Payments to suppliers		(3,301,482)	(1,840,043)
Payments to other reporting units	12(b)	-	-
		<u>(5,493,938)</u>	<u>(3,829,822)</u>
Net cash provided by operating activities	12(a)	<u>882,486</u>	<u>1,063,244</u>
INVESTING ACTIVITIES			
Cash used			
Purchase of plant and equipment		(171,082)	(48,820)
Net cash used in investing activities		<u>(171,082)</u>	<u>(48,820)</u>
Net increase in cash held		711,404	1,014,424
Cash and cash equivalents at the beginning of the reporting period		9,489,205	8,474,781
Cash and cash equivalents at the end of the reporting period	5	<u>10,200,609</u>	<u>9,489,205</u>

The above statement should be read in conjunction with the notes.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1 Summary of Material Accounting Policies

Basis of preparation of the Financial Statements

The consolidated 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 Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian and International Pilots ("Association") is a not-for-profit entity.

The consolidated 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 debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or profit or loss, 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. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The following is a summary of the material policies adopted in the preparation of the financial statements.

(a) Going Concern

The Association ability to continue as a going concern is not reliant on the financial support of another reporting unit.

The Association has not agreed to provide financial support to another reporting unit to ensure it can continue on a going concern basis.

(b) Comparative Amounts

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

(c) New Australian Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Association for the annual reporting period ended 30 June 2024. The Association's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Association, is considered not significant.

(d) New and Amended Accounting Standards Adopted by the Entity

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The Association adopted AASB 2021-2 which amends AASB 7, AASB 101, AASB 108 and AASB 134 to require disclosure of "material accounting policy information" rather than significant accounting policies' in an entity's financial statements. It also updates AASB Practice Statement 2 to provide guidance on the application of the concept of materiality to accounting policy disclosures.

The adoption of the amendment did not have a material impact on the financial statements.

(e) Basis of consolidation

The consolidated financial statements consolidate those of the Parent Entity, Australian and International Pilots Association and its only wholly owned subsidiary, 247 Coward Street Pty Limited as of 30 June 2024. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All transactions and balances between Group companies are eliminated on consolidation.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1 Summary of Significant Accounting Policies (Cont'd)

(f) Revenue

The Association enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

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 the Association has a contract with a customer, it recognises revenue when or as it transfers control of goods or services to the customer. Association 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.

Membership Subscription

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 Association.

As 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 the Association'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 Association allocates the transaction price to each performance obligation based on the relative standalone selling price 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 Association 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 good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Association recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

Interest Income

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

Income of the Australian and International Pilots Association as a Not-for-Profit Entity

Consideration is received by the Association to enable the entity to further its objectives. The Association recognises each of these amounts of consideration as income when the consideration is received (which is when the Association 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 Association's recognition of the cash contribution does not give to any related liabilities.

During the year, the Association received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- government grants - subsidies

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1 Summary of Significant Accounting Policies (Cont'd)

(f) Revenue (Cont'd)

Volunteer Services

During the year, the Association did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

Membership levies

Membership levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

(g) 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 when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of the 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 are measured as the present value of the estimated future cash outflows to be made by the Association 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.

Provision is made for separation and redundancy benefit payments. The Association recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination

(h) Current versus non-current classification

The Association presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- 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 held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Association classifies all other liabilities as non-current.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1 Summary of Significant Accounting Policies (Cont'd)

(i) 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 statement of financial position are shown inclusive of GST.

(j) Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of three 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.

(k) Financial instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument.

(l) Financial Assets

Contract assets and receivables

A contract asset is recognised when the Association's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Association's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

The Association's financial assets include trade receivables.

The Association's financial assets are classified as financial assets subsequently measured at amortised cost because both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding.

The classification of financial assets is performed at an instrument level at initial recognition of the financial asset.

The Association initially measures a financial asset at its fair value plus transaction costs. However contract assets and trade receivables that do not contain a significant financing component are measured at the transaction price as determined in accordance with the revenue policy in Note (f).

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

The entity's financial assets comprise receivables only and are recognised at amortised cost.

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Note 1 Summary of Significant Accounting Policies (Cont'd)

Financial assets at amortised cost

The Association measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Association's financial assets at amortised cost includes trade receivables.

Financial assets at fair value through other comprehensive income

The Association measures debt instruments at fair value through other comprehensive income (OCI) if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Association's debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the Association can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Union benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The Association elected to classify irrevocably its listed and non-listed equity investments under this category.

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Note 1 Summary of Significant Accounting Policies (Cont'd)

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Association 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) the Association has transferred substantially all the risks and rewards of the asset, or
 - b) the Association has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Association 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.

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

Offsetting

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.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
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Note 1 Summary of Significant Accounting Policies (Cont'd)

Impairment

Expected credit losses

(i) Debt instruments other than trade receivables

The Association recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the reporting unit expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. :

- For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).
- For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Association considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, Association may also consider a financial asset to be in default when internal or external information indicates that Association is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Trade receivables

For trade receivables that do not have a significant financing component, the Association applies a simplified approach in calculating ECLs. Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(m) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Association's financial liabilities include trade and other payables.

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FOR THE YEAR ENDED 30 JUNE 2024**

Note 1 Summary of Significant Accounting Policies (Cont'd)

Subsequent measurement

Financial liabilities at fair value through profit or loss (including designated)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(n) Liabilities relating to contracts with customers

Contract liabilities

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

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. Association's refund liabilities arise from customers' right of return. The liability is measured at the amount Association's ultimately expects it will have to return to the customer. Association updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

(o) 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.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
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Note 1 Summary of Significant Accounting Policies (Cont'd)

(p) Property, 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.

Building, plant and equipment

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

Land

Following initial recognition at cost, land is carried at cost. Fair value of land estimated based on values provided by the NSW Land Registry Services based on the Valuer General NSW for rating purposes.

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

Increases in the carrying amount arising on revaluation of land is credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to income statement.

Depreciation

Depreciable property, plant and equipment assets are written-off over 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:

	2024	2023
Building	40 years	40 years
Plant and equipment (including Fit Outs)	3 to 10 years	3 to 10 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 and loss.

(q) 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 its 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 Association 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.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
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Note 1 Summary of Significant Accounting Policies (Cont'd)

(r) Taxation

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

Revenues, 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 taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows 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.

(s) Fair Value Measurement

The Australian and International Pilots Association measures financial instruments, such as, financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 18A.

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 the Australian and International Pilots Association. 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Association uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Association 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 and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Association has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
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Note 1 Summary of Significant Accounting Policies (Cont'd)

(t) Significant accounting judgements and estimates

The Association has made the following judgements in the process of applying its accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Impairment review

As described in Note 1(q), management is required to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment testing is an area involving management judgement requiring assessment as to whether the asset can be supported by the net present value of future cashflows derived from the use of such assets.

The following estimate has been made in the process of applying the Association's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Long service leave

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

Loss of flying

The liability for loss of flying is recognised and measured at the estimated cash flows to be made at the reporting date. The estimated cash flows is based on past experience and known historical data.

Note 2 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 of the Association, the results of those operations, or the state of affairs of the Association in subsequent financial periods.

Note 3 Income

	2024	2023
	\$	\$
Disaggregation of revenue from contracts with customers		
A disaggregation of Association's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:		
Type of customer		
Members	5,375,894	4,518,427
	5,375,894	4,518,427

Disaggregation of income for furthering activities

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

Income funding sources

Other parties	-	-
	-	-
	-	-
3A Capitation fees and other revenue from another reporting unit		
Capitation fees	-	-
Other revenue from another reporting unit	-	-
	-	-

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
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Note 3	Income (Cont'd)	2024	2023
		\$	\$
3B	Compulsory levies		
	Total compulsory levies	-	-
3C	Revenue from recovery of wages activity		
	Amounts recovered from employers in respect of wages	-	-
	Interest received on recovered money	-	-
3D	Grants and / or donations		
	Grants	-	-
	Donations	-	-
3E	Income recognised from volunteer services		
	Amounts recognised from volunteer services	-	-
	Total income recognised from volunteer services	-	-
3F	Interest received		
	Term deposits	250,588	150,354
3G	Other income		
	Government subsidy	-	-
	Reversal of accrual for loss of flying for prior years	304,739	-
	Other income	642	536
		305,381	536
Note 4	Expenses		
4A	Employee expenses	2024	2023
		\$	\$
	Holders of office:		
	Salaries and wages (includes honorariums)	363,538	218,560
	Superannuation	19,038	9,598
	Leave and other entitlements	-	635
	Separation and redundancies	-	-
	Other employee expenses	-	-
	Subtotal employee expenses holders of office	382,576	228,793
	Employees other than office holders:		
	Salaries and wages	1,776,506	1,582,130
	Superannuation	186,272	157,447
	Leave and other entitlements	(152,898)	21,409
	Separation and redundancies	-	-
	Other employee expenses	-	-
	Subtotal employee expenses employees other than office holders	1,809,880	1,760,986
	Total employee expenses	2,192,456	1,989,779

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
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Note 4 Expenses (Cont'd)

	2024 \$	2023 \$
4B Capitation fees and other expense to another reporting unit		
Capitation fees	-	-
Other expense to another reporting unit	-	-
	-	-
4C Affiliation fees		
Australian Council of Trade Unions	12,358	11,999
International Federation of Air Line Pilots Associations (IFALPA)	73,854	67,384
Total Affiliation fees	86,212	79,383
4D Administration expenses		
Total paid to employers for payroll deductions	-	-
Compulsory Levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	45,366	63,658
Contractors/consultants	431,780	429,789
Media, public and government relations	71,400	65,766
Payroll tax	67,675	37,298
Printing, postage, stationary and promotional items	38,845	35,248
Property expenses	70,318	64,313
Reimbursement for lost of flying	400,000	-
Information communications technology	285,006	225,931
Insurance	69,153	55,725
Other administration expenses	500,708	242,928
Total administration expense	1,980,251	1,220,656
4E Grants or donations		
Grants		
- total paid that were \$1000 or less	-	-
- total paid that exceeded \$1000	-	-
Donations		
- total paid that were \$1000 or less	-	-
- total paid that exceeded \$1000	8,750	68,736
Total grants or donations	8,750	68,736
4F Depreciation and amortisation		
Depreciation		
Building	85,286	85,286
Plant and equipment	81,464	112,183
Total Depreciation	166,750	197,469
4G Legal costs		
Litigation	505,242	396,115
Other legal costs	-	-
Total legal costs	505,242	396,115
4H Other expenses		
Penalties - via RO Act or the <i>Fair Work Act 2009</i>	-	-

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 5 Cash and cash equivalents

	2024	2023
	\$	\$
Cash at bank	2,966,926	4,878,649
Cash on hand	-	100
Short term deposits	7,233,683	4,610,456
	<u>10,200,609</u>	<u>9,489,205</u>

Note 6 Trade and other receivables

	2024	2023
	\$	\$
Receivables from other reporting units	-	-
Less provision for doubtful debts	-	-
Trade debtors	2,365	-
Accrued interest income	142,029	114,533
Total trade and other receivables	<u>144,394</u>	<u>114,533</u>

Association has recognised the following assets and liabilities related to contracts with customers:

Receivables - current	2,365	-
Receivables - non-current	-	-
	<u>2,365</u>	<u>-</u>

Note 7 Other assets

	2024	2023
	\$	\$
Prepayments	110,669	47,437
Total other current assets	<u>110,669</u>	<u>47,437</u>

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
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Note 8 Property, plant and equipment

	2024 \$	2023 \$
Strata property- Land		
At Valuer General NSW valuation	507,554	507,554
Strata property- Building		
At cost	2,117,615	2,117,615
Less accumulated depreciation	<u>(1,058,953)</u>	<u>(1,005,867)</u>
Net strata property	<u>1,058,662</u>	<u>1,111,748</u>
Plant and equipment		
At cost	454,996	419,927
Less accumulated depreciation	<u>(391,545)</u>	<u>(324,594)</u>
Net plant and equipment	<u>63,451</u>	<u>95,333</u>
Office Fit Out		
At cost	500,549	364,536
Less accumulated depreciation	<u>(284,683)</u>	<u>(237,970)</u>
Net office fit out	<u>215,866</u>	<u>126,566</u>
	<u><u>1,845,533</u></u>	<u><u>1,841,201</u></u>

Fair value of the Association's land is estimated based on values provided by the NSW Land Registry Services based on the Valuer General NSW for rating purposes. The value of land is based on the basis of freehold value excluding any structural improvement.

Movement in the carrying amounts for each class of property, plant and equipment

	Land	Building \$	Plant and Equipment \$	Office Fit Out \$	Total \$
2024					
Opening balance at cost	507,554	2,117,615	385,650	364,536	3,375,355
Accumulated depreciation	-	(1,005,867)	(290,317)	(237,970)	(1,534,154)
Net value	<u>507,554</u>	<u>1,111,748</u>	<u>95,333</u>	<u>126,566</u>	<u>1,841,201</u>
Additions	-	-	35,068	136,014	171,082
Depreciation	-	(53,086)	(66,950)	(46,714)	(166,750)
Carrying amount at the end of the year	<u>507,554</u>	<u>1,058,662</u>	<u>63,451</u>	<u>215,866</u>	<u>1,845,533</u>
2023					
Opening balance at cost	124,551	2,117,615	336,830	364,536	2,943,532
Accumulated depreciation	-	(920,581)	(214,587)	(201,517)	(1,336,685)
Net value	<u>124,551</u>	<u>1,197,034</u>	<u>122,243</u>	<u>163,019</u>	<u>1,606,847</u>
Revaluation	383,003	-	-	-	383,003
Additions	-	-	48,820	-	48,820
Disposals	-	-	-	-	-
Depreciation	-	(85,286)	(75,730)	(36,453)	(197,469)
Carrying amount at the end of the year	<u>507,554</u>	<u>1,111,748</u>	<u>95,333</u>	<u>126,566</u>	<u>1,841,201</u>

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
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Note 9 Trade payables

	2024 \$	2023 \$
Trade creditors and accruals	1,272,429	1,182,485
Payables to other reporting units	-	-
	<u>1,272,429</u>	<u>1,182,485</u>

Note 10 Other payables

	2024 \$	2023 \$
Payable to employers for making payroll deductions of membership subscriptions	-	-
Legal costs		
Other Legal costs on behalf of members	-	95,667
Litigation	-	-
Other legal costs	-	-
Withholding Tax	44,114	34,878
GST Payable	64,820	63,309
	<u>108,934</u>	<u>193,854</u>

The settlement for trade and other payable is usually made within 30 days

Note 11 Provisions - employee benefits

	2024 \$	2023 \$
Office holders		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
	<u>-</u>	<u>-</u>
Employees other than office holders		
Annual leave	155,497	264,254
Long service leave	88,813	132,953
Separations and redundancies	-	-
Other	-	-
	<u>244,310</u>	<u>397,207</u>
Total employee provisions	<u>244,310</u>	<u>397,207</u>
Current	189,887	328,121
Non-current	54,423	69,086
Total employee provisions	<u>244,310</u>	<u>397,207</u>

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 12 Cash Flow

(a) Cash flow reconciliation

	2024 \$	2023 \$
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per		
Statement of cash flow	10,200,609	9,489,205
Statement of financial position	10,200,609	9,489,205
Difference	<u>-</u>	<u>-</u>
Reconciliation of surplus to net cash from operating activities		
Surplus for the year	956,702	682,359
Adjustments for non-cash items		
Depreciation/amortisation	166,750	197,469
Changes in assets/liabilities		
(Increase) decrease in receivables	(29,861)	(104,488)
(Increase) decrease in other assets	(63,232)	(4,424)
Increase (decrease) in other creditors and provisions	(62,953)	113,474
Increase (decrease) in other liabilities	(84,920)	178,854
Net cash provided by operating activities	<u>882,486</u>	<u>1,063,244</u>
(b) Cash inflow information		
Cash inflows		
Receipts/Transfers from other reporting units	<u>-</u>	<u>-</u>
Cash outflows		
Payments/Transfers to other reporting units	<u>-</u>	<u>-</u>

Note 13 Equity

	2024 \$	2023 \$
13A General funds		
Balance at the beginning of the year	9,335,827	8,653,468
Surplus for the year	956,702	682,359
Balance at the end of the year	<u>10,292,529</u>	<u>9,335,827</u>
13B Reserve		
Asset Revaluation Reserve		
Opening balance	383,003	-
Asset revaluation decrement on sale of freehold land and buildings	-	-
Transfer of gain on properties previously sold	-	-
Asset revaluation increment	-	383,003
Closing balance	<u>383,003</u>	<u>383,003</u>
13C Other specific disclosures - funds		
Compulsory levy/Voluntary contribution fund - if invested in assets	-	-
Other funds required by rules	-	-
	<u>-</u>	<u>-</u>

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
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FOR THE YEAR ENDED 30 JUNE 2024**

Note 14 Commitments and contingencies

As at 30 June 2024 the Association:

- did not have any capital commitments
- did not have any lease commitments
- was not aware of any contingent assets or liabilities

Note 15 Related party information

15A Related party transactions for the reporting period

There were no related party transactions for the year ended 30 June 2024. (2023: NIL)

15B Key Management Personnel Remuneration for the Reporting Period

	2024 \$	2023 \$
Short-term employee benefits		
Salary (including annual leave taken)	363,538	218,561
Performance bonus	-	-
Total short-term employee benefits	<u>363,538</u>	<u>218,561</u>
Post-employment benefits		
Superannuation	19,038	9,598
Total post-employment benefits	<u>19,038</u>	<u>9,598</u>
Other long-term benefits		
Long-service leave	-	635
Total other long-term benefits	<u>-</u>	<u>635</u>
Termination benefits	-	-
Total	<u>382,576</u>	<u>228,794</u>

Honorariums paid to selected officials are not included in the above remuneration figures. The honorariums are voluntary payments intended to cover the costs of holding office and are not considered remuneration. Honorariums are disclosed under other employee expenses (note 4A).

15C Transactions with Key Management Personnel and their Close Family Members

(a) Key Management Personnel

Any person(s) having authority and responsibility for planning, directing, and controlling the activities of the Association, directly or indirectly, are considered key management personnel.

(b) Transactions with Key Management Personnel and their Families

The Association held funds in bank accounts (including a Term deposit) with Qudos Mutual Limited (trading as Qudos Bank) during the current period, an entity with which Barry Jackson, a Committee of Management member of the Association holds a paid position on the board of directors as Chair and Non-Executive Director.

Note 16 Remuneration of Auditors

	2024 \$	2023 \$
Value of the services provided		
Financial statement audit services	30,000	29,520
Other services	5,500	5,300
Total remuneration of auditors	<u>35,500</u>	<u>34,820</u>

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 17 Financial Instruments

(a) Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets is not material. The Association's exposure to interest rate risk is detailed in note 17F.

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying value of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to and forming part of those financial statements and note 17D.

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

(c) 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 that risk by preparing cash flow forecasts and only investing surplus cash. The Association's exposure to liquidity risk is disclosed in note 17E.

(d) Net Fair Values

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

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements and at note 17A.

Note 17A Categories of financial instruments

	2024 \$	2023 \$
Financial assets		
Cash	2,966,926	4,878,749
Held to maturity investments		
- Term deposits	7,233,683	4,610,456
Trade and other receivables	144,394	114,533
Carrying amount of financial assets	10,345,003	9,603,738
Financial liabilities		
Trade payables	1,272,429	1,182,485
Other payables	108,934	193,854
Carrying amount of financial liabilities	1,381,363	1,376,339

Note 17B Net income and expense from financial assets

	2024 \$	2023 \$
Cash and cash equivalents		
- Interest	250,588	150,354
Net gain from financial assets	250,588	150,354

Note 17C Net income and expense from financial liabilities

There were no income and expense from financial liabilities for the year ended 30 June 2024. (2023: NIL)

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 17D Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Association is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits held with banks.

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

	2024	2023
	\$	\$
Financial assets		
Cash and cash equivalents	2,966,926	4,878,749
Held to maturity investments	7,233,683	4,610,456
Receivables	144,394	114,533
Total	10,345,003	9,603,738
Financial liabilities		
Trade payables	1,272,429	1,182,485
Other payables	108,934	193,854
	1,381,363	1,376,339

No assets have been pledged or held as collateral.

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

	Not past due or impaired	Past due or impaired	Not past due or impaired	Past due or impaired
	2024	2024	2023	2023
	\$	\$	\$	\$
Cash and cash equivalents	2,966,926	-	4,878,749	-
Held to maturity investments	7,233,683	-	4,610,456	-
Receivables	144,394	-	114,533	-
	10,345,003	-	9,603,738	-

Ageing of financial assets that were past due but not impaired 2024:

	0-30 days	31-60 days	61-90 days	90+ days	Total
	\$	\$	\$	\$	\$
Cash and cash equivalents	2,966,926	-	-	-	2,966,926
Held to maturity investments	7,233,683	-	-	-	7,233,683
Receivables	144,394	-	-	-	144,394
	10,345,003	-	-	-	10,345,003

Ageing of financial assets that were past due but not impaired 2023:

	0-30 days	31-60 days	61-90 days	90+ days	Total
	\$	\$	\$	\$	\$
Cash and cash equivalents	4,878,749	-	-	-	4,878,749
Held to maturity investments	4,610,456	-	-	-	4,610,456
Receivables	114,533	-	-	-	114,533
	9,603,738	-	-	-	9,603,738

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 17E Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The following tables sets out the liquidity risk of financial liabilities held by the Association. They represent the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the statement of financial position that are based on discounted cash flows.

Contractual maturities for financial liabilities 2024:

	< 1 year	1– 2 years	2– 5 years	>5 years	Total
	\$	\$	\$	\$	\$
Trade payables	1,272,429	-	-	-	1,272,429
Other payables	108,934	-	-	-	108,934
Total	1,381,363	-	-	-	1,381,363

Contractual maturities for financial liabilities 2023:

	< 1 year	1– 2 years	2– 5 years	>5 years	Total
	\$	\$	\$	\$	\$
Trade payables	1,182,485	-	-	-	1,182,485
Other payables	193,854	-	-	-	193,854
Total	1,376,339	-	-	-	1,376,339

Note 17F Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association exposure to the risk of changes in market interest rates relates primarily to its interest bearing loans.

The following table demonstrates the sensitivity to a reasonably possible change in interest rate of those interest bearing loans:

Sensitivity analysis of the risk that the Association is exposed to for 2024

	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	1%	72,336	72,336
Interest rate risk	-1%	(72,336)	(72,336)

Sensitivity analysis of the risk that the Association is exposed to for 2023

	Change in risk variable %	Effect on	
		Profit and loss	Equity
		\$	\$
Interest rate risk	1%	46,104	46,104
Interest rate risk	-1%	(46,104)	(46,104)

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 17G Changes in liabilities arising from financing activities

	1 July 2023 \$	Cash flows \$	30 June 2024 \$
Trade payables	1,182,485	89,944	1,272,429
Other payables	193,854	(84,920)	108,934
	<u>1,376,339</u>	<u>5,024</u>	<u>1,381,363</u>
	1 July 2022 \$	Cash flows \$	30 June 2023 \$
Trade payables	1,091,054	91,431	1,182,485
Other payables	15,000	178,854	193,854
	<u>1,106,054</u>	<u>270,285</u>	<u>1,376,339</u>

Note 18 Fair value measurement

Note 18A Financial assets and liabilities

Management of the Association assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following table contains the carrying amounts and related fair values for the Association's financial assets and liabilities:

	Carrying Amount 2024 \$	Fair Value 2024 \$	Carrying Amount 2023 \$	Fair Value 2023 \$
Financial assets				
Cash and cash equivalents	2,966,926	2,966,926	4,878,749	4,878,749
Held to maturity investments	7,233,683	7,233,683	4,610,456	4,610,456
Receivables	144,394	144,394	114,533	114,533
Total	<u>10,345,003</u>	<u>10,345,003</u>	<u>9,603,738</u>	<u>9,603,738</u>
Financial liabilities				
Trade payables	1,272,429	1,272,429	1,182,485	1,182,485
Other payables	108,934	108,934	193,854	193,854
Total	<u>1,381,363</u>	<u>1,381,363</u>	<u>1,376,339</u>	<u>1,376,339</u>

Note 18B Financial and non-financial assets and liabilities fair value hierarchy

Fair value hierarchy – 30 June 2024

	Date of valuation 30/06/2024	Level 2 \$
Assets measured at fair value		
Land		507,554
Total		<u>507,554</u>

Except for the land which is measured at level 2 of fair value hierarchy as disclosed above, all other financial and non-financial assets and liabilities are measured at level 1 of the fair value hierarchy.

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 19 Parent Entity Information

Information relating to the Australian and International Pilots Association

	2024	2023
	\$	\$
Statement of financial position		
Current assets	12,021,888	11,270,477
Non-current assets	279,317	221,899
Total assets	12,301,205	11,492,376
Current liabilities	1,571,250	1,704,460
Non-current liabilities	54,423	69,086
Total liabilities	1,625,673	1,773,546
Net assets	10,675,532	9,718,830

Statement of comprehensive income

Surplus for the year	956,702	682,359
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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 read as follows:

Information to be provided to members or general manager:

- (i) 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.
- (ii) 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.
- (iii) A reporting unit must comply with an application made under subsection (1).

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
OFFICER DECLARATION STATEMENT**

I, John Pavlou, being the Secretary of the Australian and International Pilots Association, declare that the following activities did not occur during the year ended 30 June 2024.

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 an organisation, a determination or revocation by the General Manager, Fair Work Commission
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:



Name of prescribed designated officer:

John Pavlou

Title of prescribed designated officer:

Secretary


Dated: 8 October 2024

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
S268 Fair Work (Registered Organisations) Act 2009
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR THE YEAR ENDED 30 JUNE 2024**

I, John Pavlou, being the Secretary of the Australian and International Pilots Association, certify:

- that the documents lodged herewith are copies of the full report for the Australian and International Pilots Association and consolidated entity for the year ended 30 June 2024 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 25 October 2024; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 5 November 2024 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer:

John Pavlou

Title of prescribed designated officer:

Secretary

Dated:

13 November 2024