



Mr Barry Jackson
Secretary
Australian and International Pilots Association

email: office@aipa.org.au

Dear Mr Jackson

Re: Financial Report for the Australian and International Pilots Association for year ended 30 June 2007 – FR2007/487

I acknowledge receipt of the financial report of the Australian and International Pilots Association for the year ended 30 June 2007. The documents were lodged with the Registry on 15 May 2008 and subsequent correspondence of 21 and 30 May 2008.

Section 266(3)

The AIPA have relied upon rule 33(c) to satisfy the requirements of section 266(3) of Schedule 1 of the Workplace Relations Act 1996. Section 266(3) states:

“(3) If the rules of the reporting unit provide for a specified percentage (not exceeding 5%) of members to be able to call a general meeting of the reporting unit for the purpose of considering the auditor’s report, the general purpose financial report and the operating report, the full report may instead be presented to a meeting of the committee of management of the reporting unit that is held within the period mentioned in subsection (1).”

The current rule requires a requisition in writing from at least 25 members of the Association and seems to relate to all instances where, the membership may wish specific matters raised, to be referred to a special general meeting. Although the rule is beneficial to the membership in raising all matters, the Association should consider altering the rules to insert a specific rule to satisfy the requirements of section 266(3).

The financial report has now been filed.

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

Committee of Management Statement

Recovery of wages activity

I remind you that the applicable Reporting Guidelines require the Committee of Management Statement to include information in relation to recovery of wages activity. If there has been no recovery of wages activity you may wish to consider words such as:

(xz) in relation to the recovery of wages activity:

- (i) there has been no such activity undertaken by the reporting unit.*

Notes to financial reports

Loans, Grants and Donations

I have noted that donations totalling \$19,935 were made in 2006-7. Under subsection 237(1) of the RAO Schedule there are certain steps that need to be taken if an individual donation exceeds \$1000.

As no subsection 237(1) statement has been lodged we assume that no single donation exceeded \$1000. Should this not be the case, please immediately advise the Registry of the details and ensure that there is compliance with the reporting requirements of section 237, other than with respect to the required timeframe. I have attached a template Statement you may wish to use (if appropriate). I note that the Registry drew your attention to the requirements of s237(1) last year.

Audit Report

Auditor's Qualification

It is not clear from the Report whether or not the Auditor is an approved Auditor. In this regard I draw your attention to the definition of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

Detailed Statement of Financial Performance for the Year Ended 30 June 2007

Additional Financial Data

The Audit Report dated 9 October 2007 refers to the Audit of pages 1 to 13 of the Financial Report. Pages 14 to 20 contain additional financial data in the form of detailed financial statements for the AIPA and AIPA House Trust. The additional financial data in the detailed profit and loss account sets out many of the items of revenue and expense that are required to be disclosed in accordance with Guidelines 10 and 11 of the Registrar's Reporting Guidelines such as Meeting & Conferences expenses.

This approach is not consistent with the requirements of the RAO Schedule. Section 253 of the Schedule expressly requires each reporting unit to prepare a General Purpose Financial Report (GPFR), which is defined as including a profit and loss statement (s.253(2)(a)(i)). That GPFR must then be audited and the auditor must state whether, in his or her opinion, the GPFR is presented fairly in accordance with Australian Accounting Standards and the requirements of the RAO Schedule.

Could you ensure that these matters in future, form part of the notes to the financial statements and please bring these details to your auditor's attention to ensure that these matters are addressed in the future preparation of your financial reports.

Presentation of the full report to the Committee of Management

If the full report is to be presented to a meeting of the Committee of Management, the report should be distributed to members within five months of the end of the financial year (s265(5)(b)). Then, the full report should be presented to the Committee of Management within six months of the end of the financial year (s266(3)).

I note in this instance the report was provided to members on 22 October 2007 and presented to the Committee of Management on 8 April 2008.

Documents not lodged in Registry within 14 days of meeting

The documents were presented to a meeting of the Committee of Management on 8 April 2008 but were not lodged in the Registry until 15 May 2008.

In future financial years the documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented - see s268 of the RAO Schedule.

Notice for Future Reports

It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under Schedule 1 and to those obligations being discharged within the requisite timeframes. You should ensure that future financial returns fully satisfy the above obligations.

In the event the documents submitted do not fully comply with the legislative requirements in Schedule 1 then the report will not be filed and the reporting unit will be required to repeat these aspects that do not comply.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely



Kevin Donnellan

Statutory Services Branch
30 May 2008

**AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY
AIPA HOUSE TRUST**

GENERAL PURPOSE FINANCIAL REPORT ("GPFR")

For the Year Ended 30 June 2007

**Adam, Barnes & Company
Accountants**

**Crows Nest, Sydney, NSW
(02) 9439 8455**

AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION

Committee of Management Statement

On 9 October 2007 the Committee of Management of the Australian and International Pilots Association passed the following resolution in relation to the general purpose financial report (GPFR) prepared by the reporting unit pursuant to section 253(1) of Schedule 1 to the *Workplace Relations Act 1996 (RAO Schedule)* for the financial year ended 30 June 2007.

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines issued in relation to s253 of the RAO Schedule;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become payable;
- (e) during the financial year to which the GPFR relates and since the end of the financial year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation;
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation;
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
 - (iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (v) no orders have been made by the Commission under section 273 of the RAO Schedule.

For the Committee of Management:

Andrew Percival

Title of Office held:

Treasurer

Signature:


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Date:

9 October 2007

AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION

OPERATING REPORT For the Year Ended 30 June 2007

PRINCIPAL ACTIVITIES

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.

The Association earned a net surplus of \$204,422 for the year. Other than this earned surplus, there has been no significant change in the Association's financial affairs.

MANNER OF RESIGNATION

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; which ever 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; which ever is later;
- d) Any dues payable but not paid by the 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.

DIRECTOR OF SUPERANNUATION ENTITY

The following officer of the Association held the following reserved position in the following entity:

Ian William Woods (President) is a member appointed Director of Qantas Superannuation Limited.

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 2,183 consisting of 2,139 pilots and 44 flight engineers.

NUMBER OF EMPLOYEES

The number of persons who were, at the end of the reporting period, employees of the Association was 7.

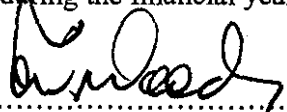
MEMBERS OF THE COMMITTEE OF MANAGEMENT

The persons who held office as members of the Committee of Management of the Association during the reporting period are:

COM Member	Attended	Held (1)	Office Bearer Positions Held
Adams, Colin	4	7	
Anderson, Steven	5	7	Assistant Secretary 14/11 06 - present
Backhouse, David	7	11	
Batten, Eric	0	4	
Busby, Theron	10	11	Vice President 'A' Pilots 14/11/06 - present
Chappel, Andrew	4	11	
Cleary, Graeme	7	11	Vice President Flight Engineer Officers
Crichton-Browne, Anthony	4	7	
Criddle, Garry	0	1	
Davidson, Michael	8	11	
Dowe, John	4	11	Secretary
Duggan, Garry	4	7	
Elsass, Gary	7	11	
Frankenberg, Peter	9	11	Vice President
Getley, Ian	0	10	
Glynn, Michael	6	11	Vice President 14/11/06 - present
Gundrum, James	5	11	Vice President 'A' Pilots 8/11/05 - 13/11/06
Herson,,Eytan	3	7	
Holt, Robin	2	4	
Jackson, Barry	5	11	Assistant Secretary 16/06/06 - 13/11/06
Knight, Peter	4	7	
La Delle, Grant	5	7	
Lang, Bill	8	11	
Loney, Shane	3	7	
Lunt, Jeff	4	11	Vice President
MacDonald, John	0	4	
Marr, Arthur	2	8	
Marriott, Keith	4	7	
McCallum, Andrew	3	6	
McNeil, Perry	0	8	
Millar, Jeff	1	7	

Mills, David	4	11	
Muffet, Peter	6	11	
Newnham, Michael	5	11	
Newsham, Brett	1	4	
Nutter, Adrian	6	11	
Percival, Andrew	3	11	Treasurer
Pickering, Allan	0	4	
Pirotta, Tony	5	7	
Renshaw, Tony	1	4	
Sirote, Jerry	9	11	
Smith, Ian	5	11	Vice President 14/02 06 – 13/11/06
Stanbridge, Michael	3	4	
Stevens, Godfrey	3	7	
Studdert, Wayne	4	7	
Sullivan, Mark	0	4	
Susz, Adam	4	7	
Thorpe, Peter	7	11	
Tuma, Simon	1	4	
Turner, Greg	0	4	
Vardi, Gill	0	5	
White, Brian	1	4	
Whyte, Paul	5	7	
Woods, Ian	10	11	President
Woodward, Richard	3	7	
Worthington, Michael	4	11	

(1) Reflects the number of meetings held during the time that the COM member held office during the financial year.



IAN WOODS - PRESIDENT
 Dated 9 October 2007

**AUSTRALIAN AND INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY**

**Independent Audit Report
To the members of the Australian and International Pilots Association**

Scope

We have audited the general purpose financial report (**GPFR**) of the Australian and International Pilots Association for the year ended 30 June 2007 as set out on pages 1 to 13.

The GPFR includes the consolidated financial statements of the consolidated entity comprising the Association and the entity it controlled at the year's end. The Committee of Management is responsible for the GPFR. We have conducted an independent audit of the GPFR in order to express an opinion on it to the members of the Association.

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

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the GPFR of the Australian and International Pilots Association is presented, fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 to the Workplace Relations Act 1996.

ADAM, BARNES & COMPANY


**F A ADAM
REGISTERED AUDITOR**

Date: 9 October 2007

CROWS NEST

**AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY**

Balance Sheet as at 30 June 2007

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2007	2006	2007	2006
		\$	\$	\$	\$
CURRENT ASSETS					
Cash	3	2,910,484	2,345,817	2,910,484	2,342,689
Receivables	4	24,512	58,847	14,512	48,847
TOTAL CURRENT ASSETS		<u>2,934,996</u>	<u>2,404,664</u>	<u>2,924,996</u>	<u>2,391,536</u>
NON-CURRENT ASSETS					
Strata Titled Unit	7	2,162,756	2,218,810	-	-
Office Fit Out	8	681,137	758,612	681,137	-
Plant, Fittings and Equipment	5	63,500	84,304	63,500	84,304
Motor Vehicles	6	5,773	7,448	5,773	7,448
Loan to AIPA House Trust		-	-	2,159,607	2,972,250
TOTAL NON-CURRENT ASSETS		<u>2,913,166</u>	<u>3,069,174</u>	<u>2,910,017</u>	<u>3,064,002</u>
TOTAL ASSETS		<u>5,848,162</u>	<u>5,473,838</u>	<u>5,835,013</u>	<u>5,455,538</u>
CURRENT LIABILITIES					
Payables	10	460,875	333,710	460,874	328,558
Provisions	11	79,191	36,454	79,191	36,454
TOTAL CURRENT LIABILITIES		<u>540,066</u>	<u>370,164</u>	<u>540,065</u>	<u>365,012</u>
NET ASSETS		<u>5,308,096</u>	<u>5,103,674</u>	<u>5,294,948</u>	<u>5,090,526</u>
RETAINED SURPLUS					
Opening Balance		5,103,674	4,802,346	5,090,526	4,802,529
Surplus for the Year		204,422	301,328	204,422	287,997
		<u>5,308,096</u>	<u>5,103,674</u>	<u>5,294,948</u>	<u>5,090,526</u>

This Balance Sheet is to be read in conjunction with the
notes to and forming parts of the accounts.

**AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY**

Income Statement for the Year Ended 30 June 2007

	CONSOLIDATED GROUP		PARENT ENTITY	
	2007	2006	2007	2006
	\$	\$	\$	\$
INCOME				
Members' Contributions	2,991,876	2,991,290	2,991,876	2,991,290
Joining Fees	591	773	591	773
Profit on Disposal of Fixed assets	-	8,114	-	8,114
Interest Received	136,106	198,587	136,106	197,897
Other Income	3,690	-	3,690	-
	<u>3,132,263</u>	<u>3,198,764</u>	<u>3,132,263</u>	<u>3,198,074</u>
Less: EXPENDITURE				
Auditors Remuneration				
Audit Fees	19,750	19,000	19,750	19,000
Other Services	6,499	8,170	6,499	8,170
Committee Meeting Expenses	3,239	6,640	3,239	6,640
Depreciation	174,970	79,682	118,916	40,185
Donations	(19,935)	20,045	(19,935)	20,045
Legal Fees and Litigation	752,744	450,079	752,744	450,079
Other Meeting Expenses	6,146	10,606	6,146	10,606
Provision for Annual Leave	34,828	215	34,828	215
Provision for Long Service Leave	7,909	26,513	7,909	26,513
Salaries - Employees	571,059	866,684	571,059	866,684
Superannuation	86,684	81,390	86,684	81,390
Administration	1,283,948	1,328,412	1,340,002	1,380,550
	<u>2,927,841</u>	<u>2,897,436</u>	<u>2,927,841</u>	<u>2,910,077</u>
EXCESS OF INCOME OVER EXPENDITURE	204,422	301,328	204,422	287,997

Statement of Recognised Income and Expense for the year ended 30 June 2007

	Retained
	Earnings
Balance at 30 June 2005	4,802,346
Profit attributable to members	<u>301,328</u>
Balance at 30 June 2006	5,103,674
Profit attributable to members	<u>204,422</u>
Balance at 30 June 2007	<u>5,308,096</u>

This Income Statement is to be read in conjunction with the notes to and forming part of the accounts.

**AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY**

Notes to and forming part of the Accounts as at 30 June 2007

1 STATEMENT OF ACCOUNTING POLICIES

This financial report is a general purpose financial report (GPFR) that has been drawn up in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, and in accordance with section 253 of the RAO Schedule.

Set out below is a summary of the significant accounting policies adopted in the preparation of the accounts. Accounting policies have been consistently applied unless otherwise stated.

The Association and the controlled entity have prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (AIRFS) in their entirety.

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

REPORTING BASIS AND CONVENTIONS

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

INCOME TAX

No provision for income tax is necessary as Trade Unions are exempt from income tax under the Income Tax Assessment Act.

PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost, less any accumulated depreciation and impairment losses.

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

DEPRECIATION

Depreciation of fixed assets is calculated on the straight line basis in order to write the assets off over their estimated useful lives.

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

Class of Fixed Asset	Depreciation Rate
Strata Titled Property	2.5%
Office Furniture	5% - 30%
Motor Vehicles	15%
Leasehold Improvements	100%

**AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY**

Notes to and forming part of the Accounts as at 30 June 2007

REVENUE

Member contributions are accounted for on the accruals basis to the extent that contributions received or receivable subsequent to 30 June 2007, but which relate to the period then ended, have been brought to account as income.

EMPLOYEE BENEFITS

Provision is made for the liability arising from services rendered by employees. Liabilities expected to be settled after one year are measured at their nominal rate and at the present value of the estimated cash flows to be made for those entitlements. Superannuation is contributed for all employees at the appropriate rate.

CASH

For the purpose of the statement of cash flows, cash includes cash on hand, at banks and on deposit. Cash on deposit earns interest at bank bill rates.

ACCRUED EXPENSES

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Association. Trade accounts are normally settled in 30 days.

TRADE AND OTHER DEBTORS

Trade and other debtors are normally settled in 30 days and are carried at amounts due. The recovery of debts is assessed at balance date and provision is made for any doubtful debts.

COMPARATIVES

Where necessary and as required by legislation, comparative figures have been adjusted to conform with the presentation of the 2007 financial accounts.

Non Current Investments

Financial Instruments: Recognition and Measurement, financial instruments that are classified as available for sale instruments are carried at their fair value. Unrealised gains or losses are recognised either in income or directly in equity. Held to maturity assets and loans or receivables are measured at amortised cost. Current accounting policy is to measure non current investments at cost, with an annual review to ensure that the carrying amounts are not in excess of recoverable value of the instruments.

2 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

The attention of the Association's members is drawn to the requirements in section 272 of the RAO Schedule, viz:

272(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

**AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY**

Notes to and forming part of the Accounts as at 30 June 2007

- 272(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- 272(3) A reporting unit must comply with an application made under subsection (1).

	CONSOLIDATED ENTITY		PARENT ENTITY	
	2007	2006	2007	2006
	\$	\$	\$	\$
3 CASH				
Cash on Hand	300	300	300	300
Trading Accounts	24,311	51,148	24,311	48,020
Short Term Call Account	1,217,616	1,281,202	1,217,616	1,281,202
Bank Bills	1,668,257	1,013,167	1,668,257	1,013,167
	<u>2,910,484</u>	<u>2,345,817</u>	<u>2,910,484</u>	<u>2,342,689</u>
4 RECEIVABLES				
Current				
Rental Deposit	-	29,671	-	29,671
Electricity Deposit	100	100	100	100
Other Debtors	10,279	29,076	279	19,076
Prepaid Expenses	14,133	-	14,133	
	<u>24,512</u>	<u>58,847</u>	<u>14,512</u>	<u>48,847</u>
5 PLANT FITTINGS & EQUIPMENT - AT COST				
Office Furniture & Equipment	326,828	307,865	326,828	307,865
Less: Accumulated Depreciation	263,328	223,561	263,328	223,561
	<u>63,500</u>	<u>84,304</u>	<u>63,500</u>	<u>84,304</u>
6 MOTOR VEHICLES - AT COST				
Motor Vehicles	21,661	21,661	21,661	21,661
Less: Accumulated Depreciation	15,888	14,213	15,888	14,213
	<u>5,773</u>	<u>7,448</u>	<u>5,773</u>	<u>7,448</u>
7 STRATA TITLED PROPERTY - AT COST				
247 Coward St Mascot	2,242,166	2,242,166	-	-
Less: Accumulated Depreciation	79,410	23,356	-	-
	<u>2,162,756</u>	<u>2,218,810</u>	<u>-</u>	<u>-</u>
8 OFFICE FIT OUT - AT COST				
Office Fit Out - 247 Coward St Mascot	774,753	774,753	758,612	-
Less: Accumulated Depreciation	93,616	16,141	77,475	-
	<u>681,137</u>	<u>758,612</u>	<u>681,137</u>	<u>-</u>

**AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY**

Notes to and forming part of the Accounts as at 30 June 2007

**9 MOVEMENT IN THE CARRYING AMOUNTS FOR EACH CLASS OF
PROPERTY, PLANT AND EQUIPMENT**

2007	PLANT & EQUIPMENT	MOTOR VEHICLES	STRATA PROPERTY	OFFICE FIT OUT	TOTAL
	\$	\$	\$		\$
Opening balance	84,304				
Additions	18,962				18,962
Disposals					
Depreciation	39,766	1,675	56,054	77,475	174,970
Carrying amount at end of the year	<u>63,500</u>	<u>5,773</u>	<u>2,162,756</u>	<u>681,137</u>	<u>2,913,166</u>
2006					
Opening balance	94,913	12,330	-	-	107,243
Additions	28,090	-	2,242,166	774,753	3,045,009
Disposals	-	(3,396)	-	-	(3,396)
Depreciation	(38,699)	(1,486)	(23,356)	(16,141)	(79,682)
Carrying amount at end of the year	<u>84,304</u>	<u>7,448</u>	<u>2,218,810</u>	<u>758,612</u>	<u>3,069,174</u>

	CONSOLIDATED ENTITY		PARENT ENTITY	
	2007	2006	2007	2006
10 PAYABLES				
Includes consultants fees, wages tax ,GST on subscriptions, telephone, legal and other office expenses	460,875	333,710	460,874	328,558
11 PROVISIONS				
Provision for Annual Leave	64,191	29,363	64,191	29,363
The number of employees for whom this provision relates is 7 (2006 - 9)				
Provision for Long Service Leave	15,000	7,091	15,000	7,091
The number of employees for whom this provision relates is 1 (2006 - 1)				
	<u>79,191</u>	<u>36,454</u>	<u>79,191</u>	<u>36,454</u>

AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION

AND CONTROLLED ENTITY

Notes to and forming part of the Accounts as at 30 June 2007

	CONSOLIDATED ENTITY		PARENT ENTITY	
	2007	2006	2007	2006
	\$	\$	\$	\$
12	CONTINGENT LIABILITIES AND CONTINGENT ASSETS			
	Estimates of the potential financial effect of contingent liabilities that may become payable:			
	Litigation by Former Employee			
	A former employee has issued proceedings in the District Court claiming amounts owed under a contract of employment. Advice from legal counsel indicates that the maximum liability that may arise is:			
	130,000	-	130,000	-
	Litigation in Courts			
	The Association is a party to six Court proceedings. Advice from legal counsel indicates that the maximum liability that may arise for costs is:			
	970,000	-	970,000	-
	A contingent asset may arise as a result of proceedings against Qantas. The possible benefit is estimated at:			
	700,000	-	700,000	-
13	SEGMENT REPORTING			
	The Association operates wholly within the aviation industrial arena representing pilots and flight engineers in all states of Australia.			
14	FINANCIAL INSTRUMENTS DISCLOSURE			
	a) Interest Rate Risk			
	No asset held by the Association will suffer a financial risk as a result of the change in interest rates.			
	b) Credit Risk			
	The Association does not have any material credit risk exposure to any single debtor or debtor groups under financial instruments entered into.			
	c) Net Fair Values			
	Assets and liabilities are carried at cost or written down value which approximates the net fair value.			

**AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
AND CONTROLLED ENTITY**

Notes to and forming part of the Accounts as at 30 June 2007

15 BUSINESS DETAILS

The principal place of business of the Association is: Suite 6.01 247 Coward Street Mascot.

	2007	2006
	\$	\$
16 STATEMENT OF CASH FLOWS		
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from members and customers	3,387,853	3,056,579
Payments to suppliers	(2,970,001)	(2,631,034)
Interest Received	<u>136,106</u>	<u>198,587</u>
	<u>553,958</u>	<u>624,132</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Strata Titled Property	-	(2,242,166)
Payment for Office Fit Out	-	(774,753)
Rental Deposit increased	-	(1,081)
Payment for equipment	(18,962)	(28,090)
Rental Deposit refunded	29,671	-
Proceeds on Disposal of motor Vehicle	<u>-</u>	<u>11,000</u>
Net cash provided by (used in) investing activities	<u>10,709</u>	<u>(3,035,090)</u>
Net increase (2006 decrease) in cash held	564,667	(2,410,958)
Cash at beginning of year	<u>2,345,817</u>	<u>4,756,775</u>
Cash at end of year	<u>2,910,484</u>	<u>2,345,817</u>

AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
Detailed Statement of Financial Performance

For the Year Ended 30 June 2007

	2007	2006
	\$	\$
INCOME		
Members Contributions	2,991,876	2,991,290
Interest Received	136,106	197,897
Profit on Disposal of Fixed Assets	-	8,114
Joining Fees	591	773
Other Income	3,690	-
TOTAL INCOME	<u>3,132,263</u>	<u>3,198,074</u>
Less: EXPENDITURE		
Accountancy Fees	6,499	8,170
Administration	434,811	398,317
Annual Leave Provision	34,828	215
Air Fares and Accommodation	-	27,467
Audit Fees	19,750	19,000
Bank Charges & Government Fees	1,850	2,019
Bookkeeping Support	-	6,410
Committee Meeting Expenses	3,239	6,640
Computer Expenses	31,815	82,439
Consultancy	365,643	248,288
Couriers	606	2,927
Depreciation	118,916	40,185
Donation	(19,935)	20,045
Entertainment	253	3,906
Fringe Benefits	33,429	-
Insurance	11,611	32,538
Legal Fees	752,744	450,079
Library	23,791	22,158
Light & Power	6,029	7,770
Long Service Leave Provision	7,909	26,513
Media and Public Relations	85,114	8,604
Membership Fees	23,461	19,257
Motor Vehicle Expenses	3,038	7,367
Office Expenses	40,342	44,892
Other Meeting Expenses	6,146	10,606
Payroll Tax	15,921	47,573
Printing, Postage & Stationery	40,971	52,967

AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
Detailed Statement of Financial Performance

For the Year Ended 30 June 2007

	2007	2006
	\$	\$
Promotional Events	9,550	25,639
Rates and Strata Levies	38,949	-
Rent – AIPA House Trust	55,843	160,044
Repairs & Maintenance	3,869	25,305
Salaries & Wages	571,059	866,680
Staff Recruitment	-	40,840
Staff Training	4,031	6,697
Superannuation	86,684	81,390
Taxi Fares	14,379	31,205
Telephone	46,832	32,456
Temporary Staff	-	19,040
Website	2,349	2,349
Welfare & P.A.N.	<u>45,515</u>	<u>22,080</u>
TOTAL EXPENDITURE	<u>2,927,841</u>	<u>2,910,077</u>
EXCESS OF INCOME OVER EXPENDITURE	<u>204,422</u>	<u>287,997</u>

AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
Schedules to the Statement of Financial Performance

For the Year Ended 30 June 2007

	2007	2006
	\$	\$
ADMINISTRATION		
Telephone	26,634	30,542
Transportation & Accommodation	102,006	105,297
Entertainment	17,463	9,003
Reimburse Lost Flying	150,911	117,834
Seminars	15,630	7,989
Membership Fees	150	1,632
Miscellaneous	569	-
IFALPA	121,448	120,458
IFEO	-	1,833
One World	-	3,729
	<u>434,811</u>	<u>398,317</u>

AUSTRALIAN and INTERNATIONAL PILOTS ASSOCIATION
Schedules to the Statement of Financial Performance

For the Year Ended 30 June 2007

	2007	2006
	\$	\$
ADMINISTRATION EXPENSES		
President		
Entertainment	2,132	1,579
Reimburse Lost Flying	150,911	79,828
Seminars	2,546	350
Telephone	3,638	4,748
Transportation & Accommodation	<u>12,966</u>	<u>27,401</u>
	<u>172,193</u>	<u>113,906</u>
Professional Staff		
Entertainment	2,630	884
Seminars	3,259	3,690
Telephone	3,693	4,354
Transportation & Accommodation	24,480	33,065
Membership Fees	150	1,632
Miscellaneous	<u>54</u>	<u>-</u>
	<u>34,266</u>	<u>43,625</u>
Other Office Bearers		
Entertainment	12,701	6,540
Reimburse Lost Flying	-	38,006
Seminars	9,825	3,949
Telephone	19,303	21,440
Transportation & Accommodation	64,560	44,831
Miscellaneous	515	-
	<u>106,904</u>	<u>114,766</u>
IFALPA		
Membership, Travel & Accommodation	<u>121,448</u>	<u>120,458</u>
	<u>121,448</u>	<u>120,458</u>
One World		
Membership, Travel & Accommodation	<u>-</u>	<u>3,729</u>
	<u>-</u>	<u>3,729</u>
IFEO		
Seminars	<u>-</u>	<u>1,833</u>
	<u>-</u>	<u>1,833</u>
TOTAL	<u><u>434,811</u></u>	<u><u>398,317</u></u>

AIPA HOUSE TRUST
Income Statement

For the Year Ended 30 June 2007

	2007	2006
	\$	\$
INCOME		
Rent Received	55,843	77,000
Interest Received	<u>-</u>	<u>690</u>
	<u>55,843</u>	<u>77,690</u>
Less: EXPENDITURE		
Bank Fees	1	31
Depreciation	56,054	39,497
Filing Fees	(212)	212
General Expenses	-	99
Strata Levies	-	18,473
Water Rates	<u>-</u>	<u>6,047</u>
		<u>64,359</u>
NET PROFIT	<u>-</u>	<u>13,331</u>

AIPA HOUSE TRUST
Balance Sheet
For the Year Ended 30 June 2007

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash at Bank		-	3,128
Security Deposit		<u>10,000</u>	<u>10,000</u>
TOTAL CURRENT ASSETS		<u>10,000</u>	<u>13,128</u>
NON CURRENT ASSETS			
Strata Titled Property	1 & 2	2,162,756	2,218,810
Office Fit Out	1 & 2	<u>-</u>	<u>758,612</u>
TOTAL NON CURRENT ASSETS		<u>2,162,756</u>	<u>2,977,422</u>
TOTAL ASSETS		<u>2,172,756</u>	<u>2,990,550</u>
CURRENT LIABILITIES			
Trade Creditors		<u>-</u>	<u>5,151</u>
TOTAL CURRENT LIABILITIES		<u>-</u>	<u>5,151</u>
NON CURRENT LIABILITIES			
Unsecured Loan from Beneficiary		2,159,607	2,972,250
TOTAL NON CURRENT LIABILITIES		<u>2,159,607</u>	<u>2,972,250</u>
TOTAL LIABILITIES		<u>2,159,607</u>	<u>2,977,401</u>
NET ASSETS		<u>13,149</u>	<u>13,149</u>
Represented by:			
Settled Sum		10	10
Beneficiaries Capital		<u>13,139</u>	<u>13,139</u>
		<u>13,149</u>	<u>13,149</u>

AIPA HOUSE TRUST
Notes to and forming part of the Financial Accounts
For the Year Ended 30 June 2007

**NOTE: 1 MOVEMENT IN THE CARRYING AMOUNTS FOR EACH CLASS
OF PROPERTY, PLANT AND EQUIPMENT**

2007	REAL PROPERTY	OFFICE FIT OUT	TOTAL
Opening Balance	2,218,810	758,612	2,977,422
Additions	-	-	-
Disposals	-	(758,612)	(758,612)
Depreciation	56,054	-	-
Carrying amount at end of the year	2,162,756	-	2,218,810
2006			
Opening Balance	-	-	-
Additions	2,242,166	774,753	3,016,919
Disposals	-	-	-
Depreciation	(23,356)	(16,141)	(39,497)
Carrying amount at end of the year	2,218,810	758,612	2,977,422