



Australian Government
Australian Industrial Registry

22 December 2008

Mr. R. Mason
President
The Civil Air Operations Officer's Association of Australia
PO Box 394
PORT MELBOURNE VIC 3207

Dear Mr. Mason,

**Re: Schedule 1 of the Workplace Relations Act 1996 (Schedule 1)
Financial Report for year ended 30 June 2008 – FR2008/369**

Receipt is acknowledged of the financial report of The Civil Air Operations Officer's Association of Australia for year ended 30 June 2008. The documents were lodged in the Industrial Registry on 15 December 2008.

I direct your attention to the following comments concerning the above report and the financial reporting obligations under Schedule 1 of the Workplace Relations Act 1996. Please note that these matters are generally advised for assistance in the preparation of future financial reports. With the exception of the comments concerning item 2, no further action is required in respect of the subject documents.

1. Committee of Management Statement

Paragraph 25 of the Industrial Registrar's Reporting Guidelines, as made under section 255 of Schedule 1 states:

"The committee of management statement must include declarations by the committee of management as to whether in the opinion of the committee of management:

.....

(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

.....

(e)(ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;

.....

The provisions of Item 25(c) of the Industrial Registrar's Reporting Guidelines "the Guidelines" have not been fully met. I suggest in future that the provisions be couched in similar terms as stipulated in the Guidelines.

There appears to be no information in the statement addressing Item 25(e)(ii) of the Guidelines.

It should be noted that the Committee of Management Statement must address all the requirements stipulated in the Industrial Registrar's Guidelines.

Future Committee of Management Statements should include all required information.

2. **Loans, Grants and Donations**

Section 237(1) of Schedule 1 requires an organisation to lodge in the Industrial Registry within 90 days after the end of each financial year a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

Inspection of the Statement of Financial Performance indicates a disclosure "Donations" of \$5,000.

If appropriate, would you please arrange lodgment in the Industrial Registry of a section 237(1) statement covering any donation exceeding \$1,000, setting out particulars of any donation in accordance with subsection 237(6).

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. Your reporting unit should therefore ensure that future financial returns fully satisfy the above obligations.

Electronic Lodgment

I encourage you to take advantage of the electronic lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at www.airc.gov.au. Alternatively, you may send an email with the documents attached to orgs@airc.gov.au.

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7993 or by email at larry.powell@airc.gov.au.

Yours sincerely,



Larry Powell

Statutory Services Branch



FE2008/369

PO Box 394
Port Melbourne VIC 3207
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Freecall 1800 359 007
Fax 03 9647 9199
Email: civilair@civilair.asn.au
Website: www.civilair.asn.au

11 December 2008

Industrial Registrar
Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001

Dear Sir,

RE: ASSOCIATION FINANCIAL STATEMENTS AND ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2008.

In accordance with Section 268 of Schedule 1 of the Workplace Relations Act 1996 (Registration and Accountability of Organisations (RAO Schedule)), please find enclosed a copy of the Association's Financial Statements, Annual Accounts and Operating Report for the financial year ended 30th June 2008.

The Auditors of the Association were appointed in accordance with Section 256 of the RAO Schedule, and were provided full access to the accounts of the Association in accordance with Section 257 of the RAO Schedule.

On 11 November 2008, the Committee of Management accepted the Reports and Statements in accordance with Section 266 of the RAO Schedule and passed a resolution accepting the Accounts at their meeting on 11 November 2008.

The Accounts were audited and signed off by the Auditor on 11 November 2008.

On 13 November 2008, the Statements were sent free of charge to Civil Air Representatives at all Air Traffic Control work locations and published on the Civil Air website (www.civilair.asn.au), for the perusal of all Civil Air members, as required by Section 265 of the RAO Schedule.

On 5 December 2008, a general meeting and National Executive meeting accepted the Reports and Statements in accordance with Section 266 of the RAO Schedule.

I trust the above information is satisfactory and that these Statements meet the requirements of the Workplace Relations Act 1996.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Robert Mason".

Robert Mason
President





Financial Statements

2007-2008



PO Box 394
Port Melbourne VIC 3207
PH: 03 9647 9100
Freecall 1800 359 007
Fax 03 9647 9199
Email: civilair@civilair.asn.au
Website: www.civilair.asn.au

ANNUAL ACCOUNTS 2008

It is with pleasure that I present the 2008 Annual Accounts of the Civil Air Operations Officers' Association of Australia and the Air Officers Trust.

The accounts are based on the cash-based accounting system and are presented in an open and transparent form to ease the scrutiny by members, as well as to satisfy statutory requirements.

Civil Air is run as a non-profit organisation with membership subscriptions at the minimum required level. This year, subscriptions have increased in line with members' salary increases, as defined in Civil Air's Rules.

Civil Air has restructured accounts over the past year in relation to management of our Necessitous Circumstances Fund. Strong performance of the fund on behalf of the membership has necessitated establishment of separate bank accounts to enable transparency of management of cash holdings specific to this area of our accounts.

The Association generated an operating surplus of \$565,804 for the year.

Furthermore, distributions from the Air Officers Trust, the write-off of the convention funds liability and the payment of loss of license claim increased the operating surplus to an overall surplus of \$628,163. The ongoing returns from Air Officers Trust provide financial security and continue to assist in balancing income and expenditure.

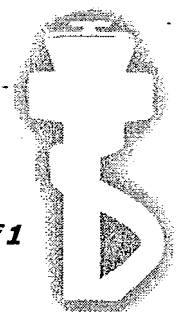
The accounts, as presented, represent the true state of the incomings and outgoings of the Civil Air Operations Officers' Association of Australia and the Air Officers Trust.

The Association and the Trust's Accounts are maintained by our Accountant, and overseen by our Vice President Financial.

The Association thanks Mouna El-Hassan and Stuart Maxwell for their efforts in maintaining the organisation's sound financial position.

A handwritten signature in black ink, appearing to read 'R. Mason'.

Robert Mason
President
Civil Air



**CIVIL AIR OPERATIONS
OFFICERS' ASSOCIATION
OF AUSTRALIA**

Operating Report for the
Financial Year ended
30th June 2008

Financial Statements

Statement of Cash Flows

Statement of the Committee of
Management

Auditor's Report

CIVIL AIR OPERATIONS OFFICERS' ASSOCIATION OF AUSTRALIA

OPERATING REPORT FOR THE YEAR ENDED 30TH JUNE, 2008

Principal Activities

The principal activities of the Association during the financial year were:

- To represent interests of the members in approaches to and in discussions with their employer,
- To take lawful actions deemed desirable for the benefit and advancement of members,
- To improve and protect the salaries, terms and conditions of the membership,
- To negotiate collective agreements to improve those salaries, terms and conditions of employment,
- To enforce existing industrial agreements on behalf of members,
- To provide legal assistance to members in the event of accidents and/or incidents;
- To affiliate and liaise with International and Australian labour organisations and
- To establish and maintain association with International aviation bodies.

Results from Principal Activities

The Association's principal activities resulted in the maintenance of existing conditions and salaries for members, through successful outcomes in the legal and industrial framework; the protection of the legal rights of members involved in incidents and accidents; and the attendance and participation by nominated representatives of Civil Air on Committees at IFATCA conferences.

Significant Changes in the Nature of Principal Activities

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

Significant Changes in the Association's Financial Affairs

While there were no significant changes to the financial affairs of the Association, it is noted that following distributions from the Air Officers Trust, a net surplus of \$628,163 was recorded for the year.

Manner of Resignation

In accordance with Rule 14 of the Association, this reads:

"14 - RESIGNATION, SUSPENSION AND TERMINATION

- (a) A member may resign from membership by written notice addressed and delivered to the President.
- (b) A notice of resignation from membership takes effect:
 - (i) where the member ceases to be eligible to become a member of the Association:
 - (a) on the day on which the notice is received by the Association; or
 - (b) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later; or

(ii) in any other case:

- (a) at the end of 14 days after the notice is received by the Association; or
- (b) on the day specified in the notice;

Whichever is later.

- (c) Any dues payable but not paid by a former member in relation to a period before the member's resignation took effect, may be sued for and recovered in the name of the Association, in a court of competent jurisdiction, as a debt due to the Association.
- (d) A notice delivered to the President shall be taken to have been received by the Association when it was delivered.
- (e) A notice of resignation that has been received by the Association is not invalid because it was not addressed and delivered in accordance with sub-rule (a).
- (f) A resignation from membership is valid even if it is not affected in accordance with this rule if the member is informed in writing by or on behalf of the Association that the resignation has been accepted.”

Details for Service of Notice of Resignation

Robert Mason
Civil Air President
PO Box 394
Port Melbourne Vic 3207

Superannuation Officeholders

The following officers and or members of the Association are directors of companies that are Trustees of Superannuation Funds, which require one or more of their directors to be a member of a registered organisation:

<u>Officer</u>	<u>Trustee Company</u>	<u>Name of Entity/Scheme</u>	<u>Position</u>
George Fishlock	AvSuper Pty Ltd	AvSuper	Director

Number of Members

In accordance with Regulation 159 of the Workplace Relations (Registration & Accountability of Organisations) Regulations:

- (a) The number of persons that were, at the end of the reporting period, recorded on the Register of Members of the Association for section 230 of the RAO Schedule, and who are taken to be members of the Association under section 244 of the RAO Schedule, was 1035.
- (b) The number of persons, who were, at the end of the financial year, employees of the Association, including both full-time and part-time employees measured on a full-time basis, was 7.
- (c) The names of those who have been members of the Committee of Management of the Association at any time during the Financial year and the periods for which he or she held office are:

<u>Position</u>	<u>Name</u>	<u>Period</u>
President	Mr Michael Haines	1/7/07 to 30/4/08
President	Mr Robert Mason	1/5/08 to 30/6/08
Vice President Technical	Mr Robert Mason	1/7/07 to 30/4/08
Vice President Technical	<i>Position vacant</i>	1/5/08 to 30/6/08
Vice President Professional	Mr Blair Henderson	1/7/07 to 30/6/08
Vice President Finance	Mr Stuart Maxwell	1/7/07 to 30/6/08
Vice President Communication	Mr Ian Stansfield	1/7/07 to 30/6/08
Vice President Administrative	Mr Shaun Day	1/7/07 to 30/4/08
Vice President Administrative	Mr James Walsh	1/5/08 to 30/6/08

Signed for and on behalf of the Committee of Management

Date: 11 November, 2008



**Robert Mason
PRESIDENT**

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2008**

2007	INCOME	NOTE	2008
1,634,486	Membership Fees - Full	5	1,702,402
3,382	Membership Fees - Associates	5	2,450
46,985	Interest Income		99,242
1,684,853	<u>TOTAL INCOME</u>		1,804,094
	EXPENSES		
	ADMINISTRATION EXPENSES		
3,100	Affiliation Fees	20	30,468
5,000	Audit Fees		8,700
2,545	Bank Charges		4,949
4,548	Bank Charges - Credit Cards		3,055
4,017	CabCharge Service Fee		1,726
12,854	Cleaning - Premises		12,562
943	Cleaning Supplies		2,566
10,281	Computer Support		14,030
-	Computer Hardware		13,568
-	Computer Software		28,204
572	Conference Registrations		4,282
21,056	Consultancy Fees		32,871
25,352	Depreciation	1(b)	35,158
71	Document Shredding Costs		-
5,398	Donations		5,000
21,977	Electricity		21,151
1,669	E-mail & Internet Expenses		3,134
18,183	Fringe Benefits Tax		17,609
100	Freight & Delivery Costs		376
-	FPC Rebate		101
606	Gifts		1,493
4,969	Hardware		-
909	Hire Fees		-
5,214	IFATCA 2005 Expenses		-
-	IFATCA 2007 Expenses		23
-	IFATCA 2008 Expenses		18,367
25,161	Insurance	7	24,994
5,343	Insurance - WorkCover		7,709
4,427	Internet Allowance		4,234
3,479	Interest Charges		-
-	Media Monitoring Costs		630
1,357	Merchandising Costs		6,559
-	Members Refund Fees		2,995
2,476	Motor Vehicle Expenses		4,682
5,177	Office Allowance		3,232
8,228	Office Requirements		15,620
5,206	Postage		3,205
7,538	Printing		1,393
14,597	Publications, Subscriptions & Registrations		28,736

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2008**

55,000	Rent - Premises	14	55,000
10,024	Repairs & Maintenance	6	11,225
387,589	Salaries - Permanent Staff	19	335,506
17,076	Salary Sacrifice		95,490
5,057	Staff Training		3,212
11,501	Staff Recruitment Costs		11,391
5,929	Stationery		567
58,307	Superannuation		36,869
10,989	Telephone		20,845
<u>793,825</u>			<u>933,486</u>
	ORGANISATION EXPENSES		
22,652	Accommodation Expenses	9	36,366
21,481	Meals Expenses	10	16,047
381	Parking Expenses	11	1,281
95,196	Travel Expenses	12	141,559
<u>139,710</u>			<u>195,253</u>
	GENERAL EXPENSES		
119,277	Legal Fees		109,551
262	Member Services		-
<u>119,539</u>			<u>109,551</u>
<u>1,053,074</u>	<u>TOTAL EXPENSES</u>		<u>1,238,290</u>
<u>631,779</u>	<u>OPERATING SURPLUS/(DEFICIT)</u>		<u>565,804</u>
	NON-OPERATING INCOME AND EXPENSES		
	NON-OPERATING INCOME		
6,295	Sponsorship - Wage Subsidy		1,606
141,977	Distribution from Air Officers Trust	15	183,983
-	Merchandise Sales		1,709
159,725	Convention Funds Liability Write-Off	16	-
<u>307,997</u>			<u>187,298</u>
	NON-OPERATING EXPENSES		
-	Profit(Loss) on Disposal of Assets		
92,959	Loss of Licence Compensation	17	115,537
(13,540)	Increase(Decrease) in Provision for Annual Leave		10,557
4,687	Increase(Decrease) in Provision for Long Service Leave		(1,155)
<u>84,106</u>			<u>124,939</u>
<u>223,891</u>			<u>62,359</u>
855,670	<u>NET SURPLUS AND EXTRAORDINARY ITEMS</u>		628,163
3,786,275	Opening Balance		4,641,945
<u>4,641,945</u>	<u>ACCUMULATED SURPLUS</u>		<u>5,270,108</u>

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2008**

2007	<u>ACCUMULATED FUNDS</u>	NOTE	2008
	RESERVES		
5,000	Emergency Fund		5,000
4,641,945	Accumulated Surplus		5,270,108
<u>4,646,945</u>	<u>TOTAL CAPITAL AND RESERVES</u>		<u>5,275,108</u>
	<i>Represented By:</i>		
	PROPERTY, PLANT AND EQUIPMENT		
48,434	Motor Vehicles At Cost	1(b)	48,434
<u>(9,696)</u>	Less Provision for Depreciation		<u>(16,959)</u>
38,738			31,474
216,836	Office Furniture & Fittings At Cost	1(b)	196,968
<u>(156,955)</u>	Less Provision for Depreciation		<u>(142,851)</u>
59,881			54,117
	NON-CURRENT ASSETS		
3,616,120	Loan - Air Officers Pty Ltd as Trustee for Air Officers Trust		3,725,058
<u>1,179,778</u>	CURRENT ASSETS	2	<u>1,704,057</u>
4,894,517	<u>TOTAL ASSETS</u>		5,514,706
98,029	CURRENT LIABILITIES	3	80,653
149,542	NON-CURRENT LIABILITIES	4	158,944
<u>4,646,945</u>	<u>NET ASSETS</u>		<u>5,275,108</u>

CIVIL AIR OPERATIONS OFFICERS' ASSOCIATION OF AUSTRALIA

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 2008

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report covers Civil Air Operations Officers' Association of Australia as an individual entity. Civil Air Operations Officers' Association of Australia is a trade union, recognised by the Australian Industrial Registry.

The financial report has been prepared on a cash basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accrual system of accounting has only been adopted to bring to account taxation liabilities and provisions.

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.

(a) Income Tax

No income tax provision has been raised and Registered Trade Unions are exempt from paying income tax pursuant to Section 50-15 of The Income Tax Assessment Act 1997, as amended.

(b) Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association 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 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.

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2008**

Depreciation

The depreciable amount of all fixed assets is calculated on either a straight line basis or diminishing value method over the useful lives of the assets to the Association, commencing from the time the asset is held ready for use.

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Motor Vehicles	18.75%
Furniture and Fittings	15% - 100%

(c) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Provision for Annual Leave has been measured on the basis of current wage rates. Provision for Long Service Leave has been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Association to employee-nominated superannuation funds and is charged as an expense when incurred.

(d) Revenue

Revenue from member subscriptions is recognised upon receipt of subscription fees.

Interest revenue is recognised upon crediting of interest.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of the GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2008**

2007	NOTE 2 - CURRENT ASSETS	NOTE	2008
100	Cash on Hand - Petty Cash		100
994,417	Cash at Bank		290,355
185,261	Convention Cheque Account		-
-	Necessitous Circumstances Fund		1,413,602
<u>1,179,778</u>			<u>1,704,057</u>

NOTE 3 - CURRENT LIABILITIES

1,584	Sundry Liability		-
23,346	Superannuation Liability		23,946
41,739	GST Liabilities		36,453
4,416	FBT Instalment Liability		3,843
26,944	PAYG Tax Payable		16,411
<u>98,029</u>			<u>80,653</u>

NOTE 4 - NON-CURRENT LIABILITIES

41,961	Provision for Employee Long Service Leave		40,806
32,581	Provision for Employee Annual Leave		43,138
75,000	Provision for Legal Costs for Representing Members	13	75,000
<u>149,542</u>			<u>158,944</u>

NOTE 5 - MEMBERSHIP SUBSCRIPTIONS

1,634,486	Membership Fees - Full		1,702,401
3,382	Membership Fees - Associates		2,450
<u>1,637,867</u>			<u>1,704,851</u>

NOTE 6 - REPAIRS AND MAINTENANCE

547	Repairs & Maintenance - Equipment		582
4,991	Repairs & Maintenance - General		2,328
-	Repairs & Maintenance - Office		8,315
4,486	Repairs & Maintenance - Contracts		-
<u>10,024</u>			<u>11,225</u>

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2008**

2007	NOTE 7 - INSURANCE	NOTE	2008
21,090	Insurance - Association Liability		21,100
3,178	Insurance - Office		3,824
893	Insurance - Travel		70
<u>25,161</u>			<u>24,994</u>

NOTE 9 - ACCOMMODATION EXPENSES

-	Airservices Australia Meetings		504
7,452	Committee of Management Meetings		9,832
485	Divisional Meetings		520
3,635	IFATCA Meetings		8,770
7,368	National Executive Meetings		5,945
2,234	Other Meetings		9,977
-	Technical Meetings		323
1,478	Convention Meetings		495
<u>22,652</u>			<u>36,366</u>

NOTE 10 - MEALS EXPENSES

113	Administration Meetings		-
-	IRC Meetings		30
10,129	Committee of Management Meetings		3,241
197	Divisional Meetings		-
-	Convention Meetings		35
279	IFATCA Meetings		1,150
9,756	National Executive Meetings		6,200
853	Other Meetings		5,126
154	Technical Meetings		265
<u>21,481</u>			<u>16,047</u>

NOTE 11 - PARKING EXPENSES

44	Administration Meetings		-
233	Committee of Management Meetings		38
-	IFATCA Meetings		1,123
67	National Executive Meetings		-
-	Industrial Relations Commission Hearings		44
37	Other Meetings		76
<u>381</u>			<u>1,281</u>

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2008**

2007	NOTE 12 - TRAVEL EXPENSES	NOTE	2008
5,064	Administration Meetings		2,446
1,905	Airservices Australia Meetings		-
51,417	Committee of Management Meetings		36,465
412	Divisional Meetings		-
-	Travel Convention Meeting		1,014
6,834	IFATCA Meetings		18,194
130	Industrial Relations Commission Hearings		1,384
12,154	National Executive Meetings		46,495
16,578	Other Meetings		32,553
702	Technical Meetings		2,157
-	Certified Agreements		851
<u>95,196</u>			<u>141,559</u>

NOTE 13 - The provision for legal costs has remained at \$75,000 for the purpose of legal representation of members in any forthcoming claims.

NOTE 14 - Rent of \$55,000 was paid to Air Officers Pty Ltd as landlord for the office property at 214 Graham Street, Port Melbourne.

NOTE 15 - During the year, the Association has derived income of \$183,983 as a beneficiary from Air Officers Pty Ltd, Trustee for the "Air Officers Trust". The Trust has made investments from which it receives interest and rental income.

NOTE 16 - CONVENTION FUND LIABILITY WRITE-OFF

The Convention Funds Liability Account was originally established to keep track of convention fund contributions so as to provide funds to subsidise IFATCA conferences.

After the completion of the 2005 IFATCA Conference in Melbourne which was subsidised substantially by the Association, the account no longer represents an accurate reflection of funds contributed by Members therefore the amount is written off in the Financial Accounts

NOTE 17 - NECESSITOUS CIRCUMSTANCES FUND (LOLI)

An amount of \$115,537 was paid during the year representing Loss of Licence Compensation Payments. One claim was accepted during the year.

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2008**

NOTE 18 - In accordance with Section 272 of the *Workplace Relations Act 1996*, Schedule 1 Registration and Accountability of Organisations, members should note the following:

Application for Information.

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.

Provision of Information.

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.

Necessity to Comply.

272(3) - A reporting unit must comply with an application made under subsection (1).

Addresses of relevant Officers for submission of such requests:

Australian Industrial Registry

Principal Registry

Nauru House

Melbourne Vic 3000

Postal Address:

GPO Box 1994S

Melbourne Vic 3001

Robert Mason

President

Civil Air Operations Officers' Association of Australia

214 Graham Street

Port Melbourne Vic 3207

Postal Address:

PO Box 394

Port Melbourne Vic 3207

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2008**

NOTE 19 - REMUNERATION OF EMPLOYEES

Amounts received, or due and receivable by, employees of Civil Air Operations Officers' Association of Australia whose remuneration is \$120,000 or more.

<u>Range</u>	<u>2006-7</u>	<u>2007-8</u>
\$120,000 - \$130,000	1	
\$130,000 - \$140,000		1

Furthermore, no elected official of the organisation received any employee benefits in the form of salary, wages, long service leave, annual leave, or superannuation.

NOTE 20 - AFFILIATION FEES

The Association pays annual affiliation fees to the Australian Council of Trade Unions, the International Federation of Air Traffic Controllers' Association, the International Transport Federation, The Union Shopper, Inc. and the Victorian Trades Hall Council.

For the reporting period, a total of \$30,468 was paid, broken down into the following amounts:

ACTU: \$7655.17
IFATCA: \$15848.02
The Union Shopper, Inc.: \$434.40
VTHC: \$1454.65
ITWF: \$5075.45

NOTE 21 - ASSOCIATION DETAILS

The principal place of business of the Association is:

214 Graham Street
Port Melbourne Vic 3207

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2008**

Inflows (Outflows)	2007	Cash Flows from Operating Activities	Inflows (Outflows)	2008
		Receipts from Operations		1,708,167
		Payments to Creditors and Employees		(1,486,981)
		Interest Received		99,242
		Trust Distribution - Air Officers		183,983
		Net cash provided by Operating Activities (Note 2)		504,411
		Cash Flows from Investing Activities		
		Payment for Non-Current Assets		(22,131)
		Proceeds from Sale of Non-Current Assets		41,999
		Net cash used in Investing Activities		19,868
		Net Increase (Decrease) in Cash Held		524,279
		Cash at the beginning of the financial year		1,179,778
		Cash at the end of the financial year (Note 1)		1,704,057

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA
NOTE TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2008**

1. Reconciliation of Cash.

For the purpose of the Statement of Cash Flows, cash includes Cash on Hand and in Banks and Money Market instruments, net of outstanding Bank Overdrafts. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:-

2007		2008
994,417	Cash at Bank	290,355
100	Cash on Hand	100
-	Necessitous Circumstances Fund	1,413,602
185,261	Convention Cheque Account	-
<u>1,179,778</u>		<u>1,704,057</u>

2. Reconciliation of Net Cash provided by Operating Activities to Net Surplus/(Deficit).

855,670	Net Surplus (Deficit) for the Year	628,163
25,352	Depreciation	35,158
-	Profit (Loss) on Disposal of Assets	(41,999)
(154,342)	Increase (Decrease) in Convention Funds Held	0
25,183	Increase (Decrease) in GST Liabilities	(5,285)
-	Increase (Decrease) in FBT Instalment Liability	(573)
19,179	Increase (Decrease) in PAYG Tax Liability	(10,533)
23,346	Increase (Decrease) in Superannuation Payable	600
1,584	Increase (Decrease) in Child Support Liability	(1,584)
(8,852)	Increase (Decrease) in Provisions	9,402
(87,978)	Decrease (Increase) in Inter-Entity Loan	(108,938)
2,356	(Increase) Decrease in Prepaid Expenses	0
<u>701,498</u>	Cash flow from Operating Activities	<u>504,411</u>

**CIVIL AIR OPERATIONS OFFICERS'
ASSOCIATION OF AUSTRALIA**

COMMITTEE OF MANAGEMENT STATEMENT

This Committee of Management Statement was adopted by resolution of the Committee of Management of the Civil Air Operations Officers' Association of Australia on 11th November, 2008.

The Committee of Management declares in respect of the financial statements that, in its opinion:

- (a) the Statement of Financial Position, Statement of Financial Performance and Cash Flows of the reporting unit are drawn up so as to give a true and fair view of the financial affairs of the Association as at 30th June, 2008;
- (b) the financial statements and notes comply with the relevant Australian Accounting Standards;
- (c) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as, and when, they become due and payable.

During the financial year to which the general purpose financial reports relate and since the end of that year:

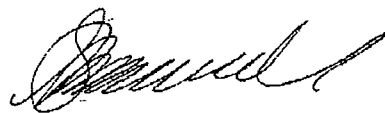
- (e) meetings of the Committee of Management, were held in accordance with the Rules of the Association;
- (f) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
- (g) to the knowledge and belief of all the members of the Committee, there have not been, during the financial year ended 30th June, 2008, instances where records of the Association, or other documents, have not been furnished, or made available to members of the Association, or the Registrar, in accordance with Section 272 of the RAO Schedule;
- (h) no orders for the inspection of financial records have been made by the Commission under section 273 of the RAO schedule;
- (i) the Association has a written policy that it will not seek fees or reimbursement of expenses in relation to recovery of wages activity. No donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial statements;

Signed on behalf of the Committee of Management,

at Port Melbourne this 11th day of November, 2008.

A handwritten signature in black ink, appearing to be 'RM', written in a cursive style.

**ROBERT MASON
PRESIDENT**

A handwritten signature in black ink, appearing to be 'Stuart Maxwell', written in a cursive style.

**STUART MAXWELL
VICE PRESIDENT FINANCE**

ABN 46 134 873 876

19 St Georges Avenue,
Caroline Springs VIC 3023

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Caroline Springs VIC 3023

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF

CIVIL AIR OPERATIONS OFFICERS' ASSOCIATION OF AUSTRALIA

Scope

We have audited the financial report of Civil Air Operations Officers' Association of Australia for the year ended 30 June 2008 as set out on pages 1 to 16. The management of the Association is responsible for the preparation and presentation of the financial report in accordance with the Workplace Relations Act 1996. We have conducted an independent audit of the financial report in order to express an opinion on it to the members. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate for the needs of the members.

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

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies as described in Note 1. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and the Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the association's financial position and performance as represented by the results of its operations and its cash flows.

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

Audit Opinion

In our opinion, the general purpose financial report of Civil Air Operations Officers' Association of Australia presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional Reporting requirements in Australia and the requirements of the RAO Schedule.



Joe A Santomartino CPA

Auditor

11 November, 2008

AIR OFFICERS PTY LTD
A.C.N. 005 633 616
TRUSTEE FOR
“AIR OFFICERS TRUST”

Financial Statements for the
Financial Year ended
30th June 2008

Statement by the Trustee

Auditor's Report

AIR OFFICERS PTY LTD A.C.N. 005 633 616
TRUSTEE FOR "AIR OFFICERS TRUST"

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2008

2007	<u>INCOME</u>	NOTE	2008
156,255	Rental Income		140,064
124,446	Interest Income		129,747
280,701	TOTAL INCOME		269,811
	 <u>EXPENDITURE</u>		
1,500	Accounting Fees		-
2,100	Audit Fees		2,500
730	Affiliation Fees		-
240	Bank Charges		140
3,500	Consultancy Fees		2,000
37,355	Depreciation	2(c)	39,658
10,532	Insurance	2(d)	10,466
11,029	Rates & Taxes		9,915
38,102	Repairs and Maintenance		18,402
212	Registrations and Subscriptions		-
1,085	Security		1,276
818	Water & Sewerage Rates		1,471
107,203	TOTAL EXPENDITURE		85,828
173,498	OPERATING PROFIT		183,983
	 <u>NON-OPERATING INCOME & EXPENDITURE</u>		
	<u>NON-OPERATING INCOME</u>		
-	NIL		-
173,498			183,983
	<u>NON-OPERATING EXPENDITURE</u>		
31,521	Write Off Sundry Debtor - Airservices Australia		-
141,977	NET PROFIT		183,983

**AIR OFFICERS PTY LTD A.C.N. 005 633 616
TRUSTEE FOR "AIR OFFICERS TRUST"**

**STATEMENT OF TRUST FUNDS
FOR THE YEAR ENDED 30TH JUNE, 2008**

2007	EQUITY	NOTE	2008
20	Trust Settlement	2(f)	20
1,218,665	Asset Revaluation Reserve		1,218,665
<u>1,218,685</u>			<u>1,218,685</u>
ACCUMULATED INCOME/(LOSSES)			
141,977	Net Profit		183,983
<u>1,360,662</u>			<u>1,402,668</u>
INCOME DISTRIBUTED TO CAOAAA			
141,977	Less Income Distributed to Beneficiaries	3	183,983
<u><u>1,218,685</u></u>	TOTAL TRUST FUNDS		<u><u>1,218,685</u></u>

**AIR OFFICERS PTY LTD A.C.N. 005 633 616
TRUSTEE FOR "AIR OFFICERS TRUST"**

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE, 2008**

<u>2007</u>		NOTE	<u>2008</u>
<u>1,218,685</u>	TRUST FUNDS		<u>1,218,685</u>
	Represented By:		
	<u>FIXED ASSETS</u>		
2,905,000	Land and Buildings at Valuation 2006	2(b)	2,905,000
<u>243,919</u>	Less Accumulated Depreciation		<u>275,169</u>
2,661,081			2,629,831
118,017	Building Improvements at Cost	2(b)	156,217
<u>49,761</u>	Less Accumulated Depreciation		<u>58,169</u>
<u>68,256</u>			<u>98,048</u>
2,729,337	TOTAL FIXED ASSETS		2,727,879
	<u>CURRENT ASSETS</u>		
1,020	Trust Settlement		1,020
344,790	Cash at Bank		351,573
2,430	Cash at Bank - LOLI Account		-
<u>1,754,397</u>	Term Deposit		<u>1,862,682</u>
<u>2,102,637</u>	TOTAL CURRENT ASSETS		<u>2,215,275</u>
4,831,974	TOTAL ASSETS		4,943,154
	<u>CURRENT LIABILITIES</u>		
476	GST Collected		980
<u>(3,307)</u>	GST Paid		<u>(1,569)</u>
(2,831)	TOTAL CURRENT LIABILITIES		(589)
	<u>NON-CURRENT LIABILITIES</u>		
3,616,120	Unsecured Loan - CAOAAA		3,725,058
<u>1,218,685</u>	NET ASSETS		<u>1,218,685</u>

**AIR OFFICERS PTY LTD A.C.N. 005 633 616
TRUSTEE FOR "AIR OFFICERS TRUST"**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2008**

1. The principal activities of the Trust in the course of the financial year were rental property owners and investors.
2. Statement of Accounting Policies.
 - (a) This is not a general purpose financial report. It is a special purpose report prepared in order to satisfy the requirements of the Trust Deed to prepare a financial report and to assist in the preparation of the Trust's income tax return.

The Trustees have determined that the Trust is not a reporting entity and hence, there is no requirement to apply Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) in the preparation and presentation of these statements.

The statements have, however, been prepared in accordance with the requirements of applicable Accounting Standards and other mandatory professional reporting requirements.

These statements are prepared on a cash basis, except the accrual system of accounting has only been adopted to bring to account sundry debtors and tax liabilities and/or debtors.

These statements are based on historical costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these statements.

- (b) Property and Building Improvements.

Property, building improvements and capital improvements are included at cost, or at independent, or at directors' valuation as follows:

Property is valued at \$2,905,000, based upon the written valuation report by Craig Cunningham of Cunningham Property Consultants, dated 17th June, 2006. This valuation does not take into consideration the building improvements.

**AIR OFFICERS PTY LTD A.C.N. 005 633 616
TRUSTEE FOR "AIR OFFICERS TRUST"**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE, 2008**

(c) Depreciation.

Depreciation is provided on all fixed assets, including freehold buildings, so as to write-off the assets progressively over their estimated economic life.

Additions are depreciated from the date of acquisition. All building improvements are depreciated using the diminishing value method.

The freehold building at 214 Graham Street, Port Melbourne has been depreciated at the rate of 2.5% of its value using the prime cost method.

(d) Insurance.

It is noted that an insurance expense of \$10,466 was paid this year.

(e) Income Tax.

Income tax is provided for to the extent that accumulated income is assessable to the Trustee in accordance with Sec. 99A of the *Income Tax Assessment Act 1936*, as amended, only where there is no presently entitled beneficiary.

(f) Settlement.

The Air Officers Trust was settled on 11 March 1980, by Robert John Garlick.

3. Income Distribution.

Income of \$183,983 was distributed by the Trust for the year ended 30th June, 2008, to the Civil Air Operations Officers' Association of Australia, pursuant to the provisions of the Trust Deed.

**AIR OFFICERS PTY LTD A.C.N. 005 633 616
TRUSTEE FOR "AIR OFFICERS TRUST"**

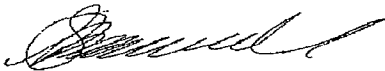
STATEMENT BY THE TRUSTEE

In my opinion:-

- (a) The accompanying Statement of Financial Performance is drawn up so as to present fairly the result of the Trust for the year ended 30th June, 2008;
- (b) The accompanying Statement of Trust Funds presents a fair view of the movements of those funds for the year ended 30th June, 2008;
- (c) The accompanying Statement of Financial Position is drawn up so as to present fairly the state of affairs of the Trust as at 30th June, 2008;
- (d) The accounts of the Trust have been properly prepared in accordance with the Trust Deed; and
- (e) There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Trustee,

Dated at Melbourne this 11th day of November, 2008.



**STUART T. MAXWELL
DIRECTOR
AIR OFFICERS PTY LTD
TRUSTEE**

ABN 46 134 873 876
19 St Georges Avenue,
Caroline Springs VIC 3023
PO Box 3690,
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**INDEPENDENT AUDIT REPORT TO THE TRUSTEES OF THE
AIR OFFICERS TRUST**

Scope

We have audited the financial report of Air Officers Trust for the year ended 30 June 2008 as set out in pages 1 to 6. The Directors of the Trustee Company are responsible for the preparation and presentation of the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the Trustees. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate for the needs of the Trustees.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, 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 financial report is presented fairly in accordance with Accounting Standards and other mandatory reporting requirements in Australia so as to present a view which is consistent with our understanding of the Trust's financial position and the results of its operations.

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

Audit Opinion

In our opinion, the financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements and statutory requirements in Australia, the financial position of Air Officers Trust as at 30 June, 2008, and the results of its operations for the year then ended.



Joe A Santomartino CPA

Auditor

11 November, 2008